`Members are reminded that they must declare all relevant pecuniary and non-pecuniary interests relating to any items of business to be discussed at this meeting. If a pecuniary interest is declared a Member must not speak or take part in that agenda item. Any declarations will be recorded in the minutes of the meeting.

BIRMINGHAM CITY COUNCIL

CABINET

Tuesday, 24 January 2017 at 1000 hours in Committee Rooms 3 and 4, Council House, Birmingham

PUBLIC AGENDA

1. NOTICE OF RECORDING

Chairman to advise/meeting to note that this meeting will be webcast for live or subsequent broadcast via the Council's Internet site (www.birminghamnewsroom.com) and members of the press/public may record and take photographs. The whole of the meeting will be filmed except where there are confidential or exempt items.

2. APOLOGIES

3. CORPORATE REVENUE MONITORING REPORT MONTH 8 (UP TO 30TH NOVEMBER 2016)

Joint report of the Chief Executive and Strategic Director - Finance and Legal.

4. COUNCIL TAX TAX-BASE FOR 2017/18

Report of the Strategic Director - Finance and Legal.

5. BUSINESS RATES INCOME 2017/18

Report of the Strategic Director - Finance and Legal.

6. SUSTAINABLE URBAN DEVELOPMENT (SUD) FUND – ACCEPTANCE OF INTERMEDIATE BODY STATUS

Report of the Strategic Director of Change and Support Services.

7. CABINET UPDATE – DISPOSAL OF LAND AT REDDITCH ROAD, KINGS NORTON, BIRMINGHAM

Report of the Director of Property.

8. BUS LANE ENFORCEMENT (TRANCHE 1) - FULL BUSINESS CASE

Report of the Strategic Director for Economy.

9. VOLUNTARY CHILDREN'S TRUST

Joint report of the Chief Executive and Strategic Director for People.

10. ELMS FARM PRIMARY SCHOOL – FULL BUSINESS CASE AND CONTRACT AWARD

Report of the Strategic Director for People.

11. BIRMINGHAM ADULT SOCIAL CARE PEER CHALLENGE 14TH-16TH NOVEMBER 2016

Report of the Strategic Director for People.

12. OUTCOME OF A 2015/16 SAVINGS PROPOSAL - ASSESSMENT AND SUPPORT PLANNING – USE OF THE BETTER CARE FUND

Report of the Strategic Director for People.

(Copies of the consultation material will be available to view in the corridor outside Committee Rooms 3 and 4 prior to and during the meeting.)

13. REVIEW AND FUTURE OPERATING MODEL FOR THE SHELTERED HOUSING SERVICE

Report of the Acting Strategic Director for Place.

14. PLANNED PROCUREMENT ACTIVITIES (FEBRUARY 2017 – APRIL 2017) AND QUARTERLY CONTRACT AWARD SCHEDULE (OCTOBER 2016 – DECEMBER 2016)

Report of the Director of Commissioning and Procurement.

15. APPOINTMENT TO OUTSIDE BODY – WITTON LODGE COMMUNITY ASSOCIATION

Report of the Acting City Solicitor.

16. OTHER URGENT BUSINESS

To consider any items of business by reason of special circumstances (to be specified) that, in the opinion of the Chairman, are matters of urgency.

17. EXCLUSION OF THE PUBLIC

That in view of the nature of the business to be transacted, which includes exempt information of the category indicated, the public be now excluded from the meeting:-

(Exempt Paragraph 3)

PRIVATE AGENDA

18. CABINET UPDATE – DISPOSAL OF LAND AT REDDITCH ROAD, KINGS NORTON, BIRMINGHAM

Report of the Director of Property.

(Exempt Paragraph 3)

19. ELMS FARM PRIMARY SCHOOL – FULL BUSINESS CASE AND CONTRACT AWARD

Report of the Strategic Director for People.

(Exempt Paragraph 3)

20. PLANNED PROCUREMENT ACTIVITIES (FEBRUARY 2017 – APRIL 2017) AND QUARTERLY CONTRACT AWARD SCHEDULE (OCTOBER 2016 – DECEMBER 2016)

Report of the Director of Commissioning and Procurement.

(Exempt Paragraph 3)

21. OTHER URGENT BUSINESS (EXEMPT INFORMATION)

To consider any items of business by reason of special circumstances (to be specified) that, in the opinion of the Chairman, are matters of urgency.

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	**CABINET**	
Report of: **Date of Decision:**	**THE CHIEF EXECUTIVE AND THE STRATEGIC DIRECTOR FINANCE & LEGAL** **24th January 2017**	
SUBJECT:	**CORPORATE REVENUE BUDGET MONITORING 2016/17 MONTH 8 (UP TO 30TH NOVEMBER 2016)**	
Key Decision: Yes	**Relevant Forward Plan Ref: 001931/2017**	
If not in the Forward Plan: (please "X" box)	**Chief Executive approved** **O&S Chairman approved X**	
Relevant Cabinet Member(s):	**Councillor Ian Ward**	
Relevant O&S Chairman:	**Councillor Mohammed Aikhlaq**	
Wards affected:	**All**	

1. Purpose of report:

1.1 This report forms part of the City Council's robust arrangements for controlling its revenue expenditure.

1.2 Each Directorate's financial performance to date is shown, together with the risks and issues identified to date in the Corporate Revenue Budget Monitoring document for Month 8, which is appended to this report.

2. Decision(s) recommended:

2.1 Note the City Council's 2016/17 revenue budget position and the gross pressures identified as at 30th November 2016.

2.2 Note the latest monitoring position in respect of the City Council's savings programme and the present risks identified in its delivery.

2.2 Approve the resource allocations as identified in Section 3 of the attached report.

2.3 Approve the writing off of debts over £0.025m as summarised in Appendix 4 of the report.

Lead Contact Officer(s):	**Jon Warlow, Strategic Director Finance and Legal**
Telephone No: **E-mail address:**	0121-303-2950 jon.warlow@birmingham.gov.uk

3. Consultation

Consultation should include those that have an interest in the decisions recommended.

3.1 Internal

Cabinet Members, Strategic Directors, the Acting City Solicitor, Human Resources and Assistant Directors of Finance have been consulted in the preparation of this report.

3.2 External

There are no additional issues beyond consultations carried out as part of the budget setting process for 2016/17.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

The budget is integrated with the Council Business Plan, and resource allocation is directed towards policy priorities.

4.2 Financial Implications
(Will decisions be carried out within existing finances and Resources?)

The Corporate Revenue Budget Monitoring document attached gives details of monitoring of service delivery within available resources.

4.3 Legal Implications

Section 151 of the 1972 Local Government Act requires the Strategic Director Finance & Legal (as the responsible officer) to ensure the proper administration of the City Council's financial affairs. Budgetary control, which includes the regular monitoring of and reporting on budgets, is an essential requirement placed on Directorates and members of the Corporate Leadership Team by the City Council in discharging the statutory responsibility. This report meets the City Council's requirements on budgetary control for the specified area of the City Council's Directorate activities.

4.4 Public Sector Equality Duty (see separate guidance note)

There are no additional Equality Duty or Equality Analysis issues beyond any already assessed in the year to date. Any specific assessments needed will be made by Directorates in the management of their services.

5.	Relevant background/chronology of key events:

5.1 At the meeting on 1st March 2016, the Council agreed a net revenue budget for 2016/17 of £835.281m to be met by government grants, council tax and business rates payers.

5.2 The base budget forecast variations in each Directorate are detailed in Section 2 of the Corporate Revenue Budget Monitoring document, together with the actions presently proposed to contain spending within cash limits. The position is summarised in tabular form in Appendix 1 which incorporates the forecast year end pressures by Directorate.

5.3 Directorate risks relating to the Savings Programme, and measures being undertaken to alleviate these are detailed in Section 2 of the attached report. The position is summarised in tabular form in Appendix 3.

6.	Evaluation of alternative option(s):

6.1 Strategic Directors, in striving to manage their budgets, have evaluated all the options available to them to maintain balance between service delivery and a balanced budget.

7.	Reasons for Decision(s):

7.1 To inform Cabinet of:
The City Council's 2016/17 revenue budget position and the level of gross pressures identified as at 30th November 2016.

The latest monitoring position in respect of the City Council's Savings Programme and the present risks identified in its delivery.

To approve:
Approve the resource allocations as identified in Section 3 of the attached report.

The writing off of debts over £0.025m as summarised in Appendix 4 of the report.

Signatures		**Date**
Strategic Director Finance & Legal	……	……
Chief Executive	..……	……
Deputy Leader	……	……

List of Background Documents used to compile this Report:
City Council Business Plan 2016+ approved at Council (1 March 2016).

List of Appendices accompanying this Report (if any):
1. Corporate Revenue Budget Monitoring Document – Month 8
2.
3.
4.
5.

Report Version	V1.0	**Dated**	13th January 2017

CORPORATE REVENUE BUDGET MONITORING REPORT 2016/17 MONTH 8

(up to 30th November 2016)

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1. Executive Summary

1.1 The City Council has a General Fund net revenue budget of £835.281m. The City Council Business Plan 2016+ recognised that in order to accommodate resource losses and fund budget pressures, savings of £88.210m would be required from Directorates in 2016/17. In addition, there are savings from 2015/16 of £34.814m, where delivery still needs to be monitored, including where they were met on a one-off basis and £0.214m of costs identified relating to the implementation of savings. Total savings to be met in 2016/17 are therefore £123.238m.

1.2 Latest projections indicate a pressure of £6.898m in the base budget delivery at year-end and £30.274m of savings that are not deliverable at year end after corporate mitigations, giving combined pressures and undeliverable savings of £37.172m at year end. This is a net decrease of £1.029m since Month 6. The overall position is summarised in Table 1.

1.3 There are four main changes since Month 6. Firstly, there have been increased costs of £6.238m relating to Adult Social Care packages. Secondly, there have been continuing pressures relating to Travel Assist of £3.103m. In addition, there have been increased costs relating to Waste Management Services of £4.000m which have been offset by mitigations in Place Directorate (as highlighted in Section 2). Fourthly there have been further Corporate mitigations (as highlighted in Section 3 of the report).

1.4 As has been recognised in previous budget monitoring reports to Cabinet, this is an exceptional level of challenge at this stage in the year and the position is receiving the full attention of the Corporate Leadership Team and the Cabinet. A comprehensive mid-year review was carried out as part of the Month 4 Revenue Monitoring report. This identified those areas within the Savings Programme that were considered no longer deliverable and the extent to which these could be offset by one-off mitigations. As part of this review, a number of new savings proposals were also agreed. Directorates continue to work to ensure that the necessary actions are being put in place to ensure these savings are delivered in 2016/17 and future years. They are also implementing plans where possible to further manage the financial issues that the City Council faces in 2016/17. Progress will be reported upon further at Month 10.

1.5 The Corporate Leadership Team have taken steps to ensure that their Directorates are conforming to robust governance arrangements with regard to staffing and budget expenditure to reduce the year end projected pressures and undeliverable savings, and have taken decisive action to control all costs going forward for the remainder of this year.

1.6 Given the extent of the budget challenge, it should be recognised that the Council will have a substantial service overspend despite its ongoing efforts to mitigate this position. As identified in previous monitoring reports, the Council has an unallocated balance of £60m in the Organisational Transition Reserve “available as a contingency to provide a level of safeguard”. This unallocated balance is available, if necessary, to address any residual year end overspend. The potential impact on this reserve has been taken into account in the preparation of the 2017+ Business Plan.

1.7 A review of the position on each of the savings initiatives is undertaken each month, and the overall Directorate position at Month 8 is summarised for the City Council in Table 2 (and detailed on a Directorate basis in Appendix 3). After mitigations, £92.964m (75.4%) of the required savings total of £123.238m are on course to be delivered.

1.8 Section 2 of this report details budget pressures on the net revenue budget and savings not deliverable by Directorates.

Table 1 - Summary forecast position of base budget and savings not deliverable

Directorate	Current Budget	Net Base Budget Pressures as at			Savings Programme not Deliverable as at			TOTAL as at		
		Month 8	Month 6*	Movement	Month 8	Month 6	Movement	Month 8	Month 6*	Movement
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
People Directorate	**481.141**	**7.831**	**2.695**	**5.136**	**45.656**	**42.404**	**3.252**	**53.487**	**45.099**	**8.388**
Place Directorate	**137.924**	**8.484**	**8.284**	**0.200**	**7.414**	**7.614**	**(0.200)**	**15.898**	**15.898**	**0.000**
Economy Directorate	**71.547**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Corporate Resources	**40.482**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Sub-total Directorates	**731.094**	**16.315**	**10.979**	**5.336**	**53.070**	**50.018**	**3.052**	**69.385**	**60.997**	**8.388**
Policy Contingency	**24.253**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Other Corporate Items	**79.934**	**(9.417)**	**0.000**	**(9.417)**	**(22.796)**	**(22.796)**	**0.000**	**(32.213)**	**(22.796)**	**(9.417)**
City Council General Fund	**835.281**	**6.898**	**10.979**	**(4.081)**	**30.274**	**27.222**	**3.052**	**37.172**	**38.201**	**(1.029)**
Housing Revenue Account	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

* reflects the transfer of Homelessness from People to Place Directorate (£4.672m)

Table 2 - Summary of Directorate Savings Programme delivery

	Position as at Month 8 £m	Position as at Month 6 £m
Actions in place to fully achieve savings (in line with Policy Decision)	38.383	37.803
Actions in place to fully achieve savings (new Policy Decision required)	0.024	0.024
Actions in place to achieve savings in year only	22.604	22.604
Actions in place but may be some risk to delivery	9.157	12.789
Savings not deliverable	53.070	50.018
Total Directorate Savings Programme	**123.238**	**123.238**

2. Detailed Revenue Commentaries by Directorate

The following paragraphs comment on the major financial issues identified at this point in the year. Detailed figures for each Directorate are shown in Appendix 1.

2.1 People Directorate

The Directorate is forecasting an overspend of £53.487m (Month 6 £45.099m) after proposed transfers to reserves. This is made up of pressures of £7.831m (Month 6 £2.695m) on the base budget and £45.656m (Month 6 £42.404m) of net savings deemed to be not deliverable in 2016/17.

The increase of £8.388m since Month 6 includes increased demand for Adult Care Packages and revised expectations of initiatives to reduce service commitments and the revised assessment of Travel Assist costs. The Homelessness Service and associated overspend has transferred to Place Directorate and the Month 6 figures in Table 1 have been adjusted for this.

Base Budget

The base budget pressure of £7.831m forecast at Month 8 after proposed transfers to reserves (Month 6 £2.695m) relates to the following:

Adults - £8.440m pressure (Month 6 £3.858m pressure)

- **Adult Social Care Packages - £9.405m pressure (Month 6 £4.544m pressure)**
  This represents the gap between the estimated budget requirements for packages of care and the forecast commitment based on current packages of care less anticipated care cost reductions over the remainder of the year.

  The demand for placements based on assessed needs continues to rise and is now at unprecedented levels. Numbers of service users supported following hospital discharges is increasing. The experience of recent years has been that the rate of increase in packages is less in the second half of the year, and as such the forecast does not make any allowance for further net increases in the number of packages beyond that already being provided.

  The movement from Month 6 relates mainly to the mitigation previously included regarding Continuing Health Care funding (CHC). A programme of work has been operating for a number of months now to assist citizens to ensure that their health care is free at point of delivery and rightly becomes the responsibility of Health partners rather than Social Care. An assumption was made for these savings of £5m for 2016/17 based on neighbouring authorities success rates. There has been some success but this has been much slower than anticipated. The process is dependent on the assessment nurses being available and this has proved challenging and very time intensive. It was

therefore felt to be prudent to take out the assumption that this would be achieved in 2016/17.

The Directorate is implementing a number of actions to mitigate the pressures, including:

- the tightening of controls on care related contracts to ensure best value is achieved from care providers
- ensuring application of national frameworks by Clinical Commissioning Groups (CCGs) to secure health related contributions, thereby expediting joint working and decision making
- reviews of current practice, uses of certain care approaches and the use of panels to enhance the value and effectiveness are under consideration and development
- robust challenge of existing and planned care including those clients being transferred from the NHS
- reviewing workforce prioritisation
- ensuring all available income to the service is realised
- ensuring care data is cleansed to improve accuracy and hence commitments and forecasting is in line with expected care requirements

Further initiatives being considered are associated with gaining full cost recovery for facilities used by other parties and reviewing the emergency and short-term placements regarding value for money. In time this is likely to include assessing structural change opportunities through the relationship with the Sustainable and Transformation Programme (STP).

- **Assessment and Support Planning - Deprivation of Liberty Safeguards**
  'The Cheshire West Judgement' increased considerably the number of people who may be deprived of their liberty and therefore subject to the statutory scheme contained in the Mental Health Act 2005.

  The Government provided a one-off grant of £0.597m in 2015/16 to cover the initial cost implications of this decision. The number of cases meant that costs quickly exceeded this amount. The Directorate's budget was increased by £0.625m in 2016/17 to assist in mitigating these pressures. No additional funding has been made available from Government.

  The Directorate has trained and recruited additional Best Interest Assessors for this work and has commissioned additional resource to support the in-house provision. Progress is reported on a monthly basis to the Cabinet Member.

  This is a significant national issue and lobbying continues through the Association of Directors of Social Services. A class action against the Government has been raised by four local authorities arguing that there has been a failure to fund the new burden and that this has caused thousands of people to be unlawfully detained. Other current and potential legal cases may extend this issue to include a wider range of cases, including in Children's services, and may result in a further increase in the projected overspend in this area.

The latest forecast reflects the additional costs of £1.500m. As agreed in the Month 2 Corporate Revenue Monitoring report, this pressure has been met corporately.

- **Other net variations - £0.965m underspend (Month 6 £0.686m underspend)**
  This relates to other net variations including reductions in the use of both agency staff and employee costs. In addition, savings have been made on Supporting People and other non-care contracts. Further mitigations are being made through the release of non-essential agency staff.

Children - £0.609m underspend (Month 6 £1.163m underspend)

- **Education Service Grant (ESG) - £0.711m pressure (no change from Month 6)**
  Reductions of £2.400m were required in 2016/17 to offset the impact of changes in ESG grant. Various mitigations have been identified and applied but there is still a residual amount of £0.711m for which mitigations have not been identified.

- **Early Help & Children's Social Care - £3.685m underspend (Month 6 £2.787m underspend)**
  There is a forecast underspend of £0.601m on staffing budgets within the Family Support Service due to vacancies held pending the service implementing a revised structure and £0.426m underspend on employee budgets for the five children's homes that have now transferred to an external provider.

  There is a projected £1.660m underspend in internal foster care. The service has undertaken a review of current internal foster care capacity in readiness for implementation of the next phase of the improvement plan to grow the in house service.

  There is a projected underspend of £1.508m due to a longer mobilisation period on the phased go live of the residential block contract due to securing planning permission and OFSTED registration for individual properties.

  The reduction in the number of externally commissioned residential and community based assessment has resulted in a further underspend of £0.342m.

  There have been a number of other minor variations across several services totalling £0.241m.

  These have been offset by pressures relating mainly to:

  - Secure Remand beds with additional costs of £0.425m as a result of decrease in the Youth Justice Board Secure Grant and an increase in bed nights at Secure Training Centres and Secure Children's homes.

- Increased costs of £0.668m relating to accommodation and support to No Recourse to Public Fund families.

- **Travel Assist - £2.138m pressure (Month 6 £0.500m pressure)**

  This pressure is composed of:

  a) A forecast budget pressure of £0.760m on pupil guides arising from factors such as:
  - increased demand for Guiding hours
  - increase of casual cover for additional routes not covered by permanent Guides

  b) A forecast overspend of £1.378m on contract hire. The clear possibility of having to report this was referenced in the last monitoring report. The overspend is primarily attributable to:

  - Increase in contractors prices
  - Increase in the number of pupils being transported to setting outside the authority as well as a general increase in numbers of high cost pupils

- **Other net variations- £0.227m pressure (Month 6 £0.413m pressure)**
  These include pressures on Other Education, Unattached Playing Fields and Disabled Children Social Care as a result of increased placements offset by savings in CityServe as a result of reduced agency costs and generation of additional income.

The Directorate will continue to work to identify other appropriate actions that can be taken.

Proposed transfers to reserves
There is an underspend of £1.375m relating to the Troubled Families grant. As in previous years, the approach taken is that the underspend should be used to deliver outcomes with a designated cohort of Troubled Families over a three year period. This has been reflected within the forecast outturn position reported at Month 8. This will be addressed in the Council's Outturn Report for 2016/17.

Savings Programme

People Directorate are forecasting net savings not deliverable of £45.656m (Month 6 £42.404m).

Following on from the Future Council programme, initiatives in the Maximising Independence of Adults (MIA) work-stream have been brought together as an overall change programme. This will have connections with the Better Care Fund (BCF) and the Sustainability and Transformation Plan (STP). The Programme will work to deliver key offers to support vulnerable adults by helping them to help themselves, offering help when it is needed, and providing ongoing support for those who need it. It has three Sub-Programmes: Assessment and Support Planning Customer Journey, Market

Shaping, and Prevention. The Programme is responsible for delivering a number of savings initiatives. However not all original planned savings are deliverable.

The explanations are as follows:

Adults - £14.315m underachieved (Month 6 £12.528m)

- **Adult Care Packages - £11.161m underachieved (Month 6 £9.784m)**
  The Adult Social Care Service has delivered significant savings in recent years whilst tackling the continued increases in demand. Savings were achieved against the Younger Adults re-provisioning programme up to the end of 2015/16 through re-assessments of younger adult clients and moves to more appropriate care settings or through changes to the arrangements commissioned from some providers. However, the scale and pace of the savings targets have proved to be very challenging and there continues to be a shortfall against the figures included in the budget.

- **Supporting People (SP)- balanced position (no movement since Month 6)**
  The commissioning of new SP contracts for Disabilities was delayed by three to four months due to the complexity of introducing new arrangements together with the commissioned services from the Third Sector. It has been agreed that this pressure of £1.054m will be covered in 2016/17 by a transfer from the Supporting People reserve.

- **Specialist Care Services - £3.946m underachieved (Month 6 £3.536m)**
  - Enablement £1.500m underachieved (no movement from Month 6): A review of the enablement service is being undertaken. Efficiency gains within the service require a number of further stages of planning, consultation and approval, and hence the saving will now be delivered from 2017/18

  - Older Adults Day Care provision and Learning Disability Short Breaks £0.410m underachieved (Month 6 nil): Cabinet on 13th December 2016 agreed the Full Business Cases for the changes to these service areas. This included revised implementation plans which indicated that it would not be possible to deliver any savings from these projects in 2016/17

  - Care Centres £0.534m underachieved (no movement from Month 6): Cabinet on 26th July 2016 agreed to consult on changes in the use of two of the four Care Centres. The outline Business Case identified that the preferred option would not deliver the savings target of £0.300m in 2016/17 and that there are likely to be one-off costs of £0.214m which would lead to a higher overall pressure

  - Day Care provision £0.702m underachieved (no movement from Month 6): Changes to the internal day care provisions are currently subject to consultation. The Directorate is also considering a wider review of Day Care opportunities across both internal and external provision. A report will be presented to a future Cabinet meeting, discussing the findings of the consultation and making recommendations

- Telecare £0.800m underachieved (no movement from Month 6): This is an interim assessment of the likely impact. A report was received by Cabinet on 18th October 2016 outlining the way forward for the Telecare service. There are currently a number of outstanding issues being dealt with as part of the changeover to the new arrangements.

- **Other mitigations – (£0.792m overachieved)**
  The net position has been reduced by £0.792m as a result of new savings proposals agreed as part of the Month 4 Revenue Monitoring and Mid-Year review report.

Health - £28.400m underachieved (no movement since Month 6)

The Month 4 Revenue Monitoring report and Mid-Year Review reflected undeliverable savings of £15.400m. As part of the Month 6 Revenue Monitoring report, an assumption of a £13m transfer from the NHS was removed, resulting in a forecast underachievement of £28.400m in total.

Children - £2.941m underachieved (Month 6 £1.476m)

- **Early Help and Children's Social Care (Month 6 nil)**
  The service has a savings target of £0.705m in 2016/17. The savings are to be achieved from a combination of reduced numbers of looked after children and more children in internal foster care. At Month 6 it is forecast that the 2016/17 savings will be achieved.

- **Travel Assist - £2.853m underachieved (Month 6 £1.388m)**
  An approach was initially identified that would involve three implementation phases. During 2016/17, it was recognised that full delivery would be over two years, resulting in an expected shortfall of £1.388m in year.

  Events over the summer term regarding the appeals to proposed changes have prompted a more thorough top down review of Travel Assist's operational capacity. This will lead to fundamental changes in support and practice in order to ensure future year's savings are not compromised but the service are unable to deliver the saving in 2016/17.

- **Unattached Playing Fields - £0.088m underachieved (no movement since Month 6)**
  Progress against the savings target covering 31 unattached Playing fields is not linear in that different solutions and options are being considered ranging from transfer to schools, renegotiating leases, disposal of sites etc. These are giving rise to different issues and timelines resulting in the projected saving being forecast at £0.088m.

- **Private Finance Initiative (PFI) / Building Schools for the Future (BSF) - balanced position (no movement since Month 6)**
  Work has been undertaken by the service to reduce the costs and affordability gap associated with the PFI / BSF contracts. For 2016/17 this is expected to yield total savings of £1.863m, of which approximately £1.000m is non recurrent. This will be used to fully meet the savings target of £0.700m in year and the balance of £1.163m will be used to offset the ongoing PFI pressure from 2015/16 and Education Services Grant base budget shortfall.

2.2 Place Directorate (excluding Housing Revenue Account)

The Directorate is reporting a forecast variation of £15.898m (no movement from Month 6), made up of pressures of £8.484m on the base budget and a net £7.414m of Savings Programme deemed to be not deliverable in 2016/17. There have been a number of changes to the overall forecast since Month 6 largely relating an increase in pressures on Waste Management, offset by reduction in pressures on the Homelessness Service, Neighbourhood and Community Services and other minor variations.

The Homelessness Service and associated overspend has transferred from People Directorate and the Month 6 figures in Table 1 have been adjusted for this.

Base Budget

A base budget pressure of £8.484m (£8.284m at Month 6) is forecast at Month 8 relating to the following:

- **Waste Management Services - £5.107m pressure (Month 6 £2.634m)**
  The financial projections have been revised following a detailed review at Month 8 and have been increased by a net £2.473m, representing £4.000m to reflect the on-going service pressures on employees and operational costs following the completion of the wheeled bin transformation programme – the service improvement plan has been partially successful in mitigating the pressures and this plan will continue to be implemented. The additional costs have been offset by £1.527m of Specific Policy Contingency for the contractual indexation on contracts. It also assumes that the additional landfill tax liabilities following the operational performance difficulties of the Energy from Waste (EfW) facility at Tysley will be met by the external contractors.

  A Service Improvement Plan has been developed and is being implemented to stabilise the operational services. A number of projects and management actions are being implemented including: performance management framework, optimising the route planning, reducing missed collections, waste prevention and enforcement, reducing agency staff and completing the re-structuring of the back office support.

  This base budget pressure is not expected to continue into 2017/18 as financial and service restructuring will be completed. The provisional budget

proposals for 2017/18+ (subject to City Council approval in March 2017) include the allocation of additional base budget resources of £4.500m and adjustments for undeliverable savings. This, combined with the implementation of the new proposed employee contracts from July 2017, will ensure that the substantial pressure in 2016/17 will be managed in 2017/18.

- **Sport and Events - £1.000m pressure (no movement from Month 6)**
  The Directorate has previously reported a pressure of £1m relating to the externalisation of the Alexander Stadium – this was due to delay in implementing the initial strategy following concerns expressed during the consultation with the market. A new strategy was approved by Cabinet on 20th September 2016 and this will now be implemented as soon as practicable. It is unlikely that the reported pressure in 2016/17 will be reduced but it is expected to be mitigated in 2017/18 providing the externalisation is successfully completed by April 2017.

- **Homelessness - £3.672m pressure (Month 6 £4.672m pressure)**
  The projected pressure of £4.672m at Month 6 has been reduced to £3.672m at Month 8 (reflecting a realignment of the funding of the Housing Options Team). The pressure is entirely a reflection of the external costs for the provision of temporary bed and breakfast accommodation (all the other service budgets for the Hostels, Leased Accommodation and the Housing Options Team are being managed within budget).

  It should be noted that there has been a national increase in homelessness of 43% and this national trend is being reflected in Birmingham.

  A number of management actions are being implemented including, the completion of the refurbishment programme for hostels (which will provide additional accommodation), working with our partner agencies and registered providers to release more accommodation, converting some existing properties for short term use over three years as temporary accommodation, and establishing a call off contract for external bed and breakfast provision.

  These management actions, combined with the allocation of an existing and on-going base budget resource of £3m from 2017/18 (subject to City Council approval in March 2017) will ensure that these pressures do not continue in 2017/18 (these are expected to be minimised in 2017/18).

- **Neighbourhood and Community Services - £1.002m underspend (Month 6 nil)**
  This underspend is primarily a reflection of a realignment of the funding of services, namely the Neighbourhood Advice and Information Service.

- **Other Services - £0.293m underspend (Month 6 £0.022m)**
  The increase in the net underspend on Other Services since Month 6 relates to:

- £0.152m for other service overspends relating to Private Sector Housing and Equalities
- Bereavement Services underspends of £0.300m relating to slippage on the project at Sutton New Hall and savings on capital finance costs
- Other minor underspends of £0.123m

The remaining net underspend of £0.022m are due to the following:

- £0.150m pressure on Markets, due in part to the on-going legal lease negotiations and the impact from the relocation of the existing traders to the new Wholesale Market in Witton
- Regulatory Services pressure of £0.152m. These relate to a range of services including Registrars, Coroners and Licensing
- Adult Education Services £0.400m underspend as a result of re-alignment of charges for corporate services
- Other minor overspends of £0.076m

Savings Programme

Place Directorate is forecasting net savings that are considered not deliverable of £7.414m (Month 6 £7.614m).

The explanation of the savings considered not deliverable is as follows:

- **Community Safety and Equalities - £0.922m underachieved (no change from Month 6)**
  This saving includes the re-organisation of the Equalities Team of £0.322m, securing some potential resources from the Local Police and Crime Panel for the public CCTV of £0.300m and the Safer Places Team of £0.500m, offset by £0.200m use of reserves.

  In addition, a review of the Equalities Team is in progress and a new structure will be implemented in April 2017.

  These pressures are not expected to continue in 2017/18 as the savings relating to CCTV and Safer Places will be reinstated in the base budget (subject to City Council approval in March 2017).

- **Neighbourhood and Community Services - £2.072m underachieved (Month 6 £2.066m)**
  This relates primarily to the Community Libraries Services due to delays in the development of a new operational model. There are also delays in the decommissioning of the Community Play and Development Service and the programme to redesign and rationalise local assets to deliver services in the future with fewer separate buildings.

- **Waste Management Services - £4.366m underachieved (no movement from Month 6)**
  The major savings not deliverable include the transfer of the Queslett Site to private ownership, the partial delivery of the three R's project to Reduce,

Reuse and Recycle waste, the redesign of street cleaning and the proposal to pass costs of new bins on to the developers of new estates. A number of management actions (as part of the Service Improvement Plan) continue to be implemented including the rigorous control of non-essential expenditure to reduce spend as far as possible without impacting of important health and safety issues including development of and consultation on a proposed whole service workforce re-organisation to ensure that service is delivered in the most effective and efficient manner. This is expected to deliver savings in 2017/18.

- **Other Services - £0.054m underachieved (Month 6 £0.260m)**
  This relates to a range of services including Licensing, Coroner and Mortuary, Markets and Parks. This has been offset by additional savings in Business Support, use of reserves and other technical adjustments.

  Additional work continues to be undertaken by the Directorate to identify further necessary management actions and mitigations needed to be implemented to improve the position.

2.3 Economy

Economy is forecasting a break-even position at Month 8 (no movement since Month 6).

Base Budget

The overall forecast year-end base budget financial position is balanced:

Savings Programme

Economy is reporting a break-even position at Month 8 after agreed corporate mitigations (as reported previously).

2.4 Corporate Resources

Corporate Resources is reporting a break-even position on base budget and savings programme (Month 6 break-even position).

Base Budget

The overall forecast year-end base budget financial position is balanced:

Savings Programme

Corporate Resources is reporting a break-even position at Month 8.

2.5 Housing Revenue Account

A balanced HRA Budget was approved for 2016/17 (expenditure of £283.4m funded by equivalent income). The budget was based on the new national rent policy of -1% that will be implemented in each year from 2016/17 to 2019/20.

A balanced year-end position is projected. The current budgets and the forecast year-end financial position are summarised in the table below:

Service	**Current Budget £m**	**Year End Variation Projection £m**
Rent/Service Charges (net of Voids)	(283.4)	1.4
Repairs and Maintenance	65.6	(0.8)
Contributions for Capital Investment	75.2	-
Capital Financing Costs	54.8	0.7
Local Office / Estate Services / Equal Pay	87.8	(1.3)
Net Position	**-**	**-**

The Month 8 position reflects the completion of a detailed review and the realignment of funding of services, offset by a reduction in the planned debt repayment.

The overall strategy for debt repayment is considered appropriate as this is prudent and considered value for money (as interest payments on debt outstanding are greater than interest received on balances). It is also in line with the HRA Self Financing Business Plan for the repayment of debt (the debt re-payment has already been re-profiled to take into account the new national rent policy and is expected to be significantly higher by 2025/26 compared to the original plans that were established in April 2012).

The HRA Business Plan for 2017+ will be reported to City Council in March 2017 as part of the City Council Business Plan 2017+.

3. Resource Allocations and Other Corporate Updates

3.1 General Policy Contingency

Commonwealth Games

It was announced by the Leader in October that Birmingham would be developing a bid for the Commonwealth Games in 2026.

The bid will be in two phases. The first is to carry out a technical and financial feasibility study to demonstrate that Birmingham, above all other competing cities in England, has the best technical capability to deliver the requirements of Commonwealth Games England, and to confirm that the cost benefit analysis makes the case for Birmingham, the West Midlands and Central Government to invest in the project. This initial piece of work will cost £0.170m. The Council has received a contribution of £0.050m from the Local Enterprise Partnership (LEP). It is proposed to fund the balance of £0.120m from Policy Contingency.

If approved, there would be an unallocated balance on the General Policy Contingency of £2.650m.

3.2 Other Corporate Mitigations

Further corporate mitigations of £9.417m have been identified as part of this report. This relates to £4.418m for Treasury Management as a result of interest savings arising from lower than budgeted interest rates and £2.030m receipts from the sale of deferred NEC revenue assets (further detail will be available in the Quarter 3 Capital and Treasury report). There is also £1.028m relating to a dividend declared by the Airport and £1.941m underspending on Specific Policy Contingency following a detailed review of commitments.

Financial Position analysed by Directorate - budget pressures (including budget savings)

Division of Service Area	FULL YEAR BUDGET			YEAR END		
	Original Budget £'m	M'ments £'m	Revised Budget £'m	Base Budget Pressures / (Savings) £'m	Savings Programme not Deliverable £'m	Total £'m
Adults with Mental Health Needs	14.588	(0.135)	14.453	0.242	0.895	1.137
Older Peoples Services	83.668	22.093	105.761	(0.814)	1.874	1.060
Persons with No Recourse to Public Funds	0.104	0.000	0.104	0.012	0.000	0.012
Adults with a Physical Disability	22.613	0.900	23.513	2.906	1.537	4.443
Service Strategy	68.649	(11.643)	57.006	1.176	2.355	3.531
Adults with a Learning Disability	90.765	(2.045)	88.721	6.164	6.683	12.847
Housing Strategy	1.952	(0.850)	1.102	0.000	0.000	0.000
Other Adult Services	3.425	2.445	5.870	0.907	0.171	1.078
Supporting People	24.666	(0.024)	24.642	(2.153)	0.800	(1.353)
Public Health	(0.006)	0.006	0.000	0.000	0.000	0.000
Subtotal Adults	**310.425**	**10.746**	**321.171**	**8.440**	**14.315**	**22.755**
Education and Skills	53.974	11.906	65.880	0.711	0.000	0.711
Schools Budgets	(143.014)	(13.428)	(156.442)	0.000	0.000	0.000
Commissioning & Performance	4.117	(0.996)	3.121	0.000	0.000	0.000
Children With Complex Needs	104.497	1.925	106.422	2.138	2.853	4.991
Early Help & Childrens Soc Care	152.064	1.827	153.891	(3.685)	0.000	(3.685)
Business Support	21.065	1.063	22.128	0.229	0.088	0.317
Accounting Adjustment/MRP Component of Contract Payments	(6.491)	0.000	(6.491)	0.000	0.000	0.000
Subtotal Children	**186.212**	**2.297**	**188.509**	**(0.609)**	**2.941**	**2.332**
Health	(28.539)	0.000	(28.539)	0.000	28.400	28.400
Subtotal Health	**(28.539)**	**0.000**	**(28.539)**	**0.000**	**28.400**	**28.400**
People Directorate Total	**468.098**	**13.043**	**481.141**	**7.831**	**45.656**	**53.487**
Community Sports & Events	6.916	0.075	6.991	1.000	0.400	1.400
Fleet and Waste Management	52.041	(0.143)	51.898	5.107	4.366	9.473
Parks and Nature Conservation	14.424	(0.179)	14.245	0.000	0.256	0.256
Bereavement Services	(2.782)	0.007	(2.774)	(0.300)	0.000	(0.300)
Markets	(1.908)	(0.087)	(1.995)	0.150	0.150	0.300
Business Support	2.479	(0.007)	2.472	0.000	(0.600)	(0.600)
Equalities, Cohesion & Safety	0.217	0.489	0.705	0.078	0.622	0.700
Engineering & Resilience Services	0.292	0.309	0.600	0.000	0.000	0.000
Regulatory Services	5.393	0.138	5.531	0.252	0.448	0.700
Private Sector Housing	0.098	(0.524)	(0.426)	0.150	0.300	0.450
Neighbourhood Community Services	12.134	1.905	14.039	(1.002)	2.072	1.070
Birmingham Adult Education	0.227	(0.119)	0.108	0.000	0.000	0.000
Central Support Costs	11.210	2.035	13.245	(0.623)	(0.600)	(1.223)
Culture & Visitor Economy	33.099	(0.081)	33.018	0.000	0.000	0.000
City Centre Management	0.007	(0.002)	0.004	0.000	0.000	0.000
Housing Options	2.877	0.011	2.887	3.672	0.000	3.672
Accounting Adjustment/MRP Component of Contract Payments	(2.625)	0.000	(2.625)	0.000		0.000
Place Directorate Total	**134.096**	**3.828**	**137.924**	**8.484**	**7.414**	**15.898**
Development Management Services	4.250	4.136	8.386	0.000	0.000	0.000
Planning & Regeneration	4.588	(0.135)	4.453	0.000	0.000	0.000
Highways Services	33.041	2.737	35.778	(0.500)	0.000	(0.500)
Transportation and Connectivity	49.146	0.361	49.507	0.357	0.000	0.357
Shelforce	(0.101)	0.006	(0.094)	0.094	0.000	0.094
Employment Services	1.117	4.490	5.606	0.049	0.000	0.049
GBSLEP Executive	0.226	0.005	0.231	0.000	0.000	0.000
Accounting Adjustment/MRP Component of Contract Payments	(32.319)	0.000	(32.319)	0.000	0.000	0.000
Economy Directorate Total	**59.947**	**11.600**	**71.547**	**0.000**	**0.000**	**0.000**

Appendix 1

Division of Service Area	FULL YEAR BUDGET			YEAR END		
	Original Budget	M'ments	Revised Budget	Base Budget Pressures / (Savings)	Savings Programme not Deliverable	Total
	£'m	£'m	£'m	£'m	£'m	£'m
City Finance	6.833	1.370	8.203	0.000	0.000	0.000
Birmingham Audit	2.377	0.026	2.403	0.000	0.000	0.000
Elections Office	1.732	0.008	1.741	0.000	0.000	0.000
Legal & Democratic Services	5.822	0.097	5.918	0.000	0.000	0.000
Shared Services Centre	2.198	0.046	2.244	0.000	0.000	0.000
Business Transformation Legacy Costs	39.267	(0.777)	38.491	0.000	0.000	0.000
Charities & Trusts - Support	0.050	0.045	0.095	0.000	0.000	0.000
Directorate Wide Recharges	(28.346)	(0.460)	(28.806)	0.000	0.000	0.000
Insurance	0.014	(0.013)	0.000	0.000	0.000	0.000
Corporate Resources Other Services	1.708	0.037	1.745	0.000	0.000	0.000
Building Consultancy	1.164	0.001	1.165	0.000	0.000	0.000
Urban Design	(0.533)	0.000	(0.533)	0.000	0.000	0.000
Catering & Building Cleaning	(0.100)	0.000	(0.100)	0.000	0.000	0.000
Facilities Management	(0.631)	0.023	(0.608)	0.000	0.000	0.000
Business Loans & Other Investments	(0.727)	0.976	0.249	0.000	0.000	0.000
Subtotal Finance & Legal	**30.829**	**1.378**	**32.207**	**0.000**	**0.000**	**0.000**
Corporate Strategy	(0.096)	0.288	0.192	0.000	0.000	0.000
Procurement	(1.162)	0.161	(1.002)	0.000	0.000	0.000
Human Resources	7.437	1.504	8.941	0.000	0.000	0.000
Revenues & Benefits Division	(2.548)	(0.854)	(3.402)	0.000	0.000	0.000
Core ICT	(9.308)	4.401	(4.908)	0.000	0.000	0.000
Customer Services	8.629	0.431	9.060	0.000	0.000	0.000
Subtotal Integrated Support Services and Change	**2.952**	**5.930**	**8.881**	**0.000**	**0.000**	**0.000**
Birmingham Property Services	(1.337)	0.677	(0.661)	0.000	0.000	0.000
Major Projects	0.000	0.055	0.055	0.000	0.000	0.000
Subtotal Major Projects	**(1.337)**	**0.731**	**(0.606)**	**0.000**	**0.000**	**0.000**
Corporate Resources Total	**32.443**	**8.039**	**40.482**	**0.000**	**0.000**	**0.000**
Total Directorate Spending	**694.584**	**36.510**	**731.094**	**16.315**	**53.070**	**69.385**
Policy Contingency	54.469	(30.216)	24.253	0.000	0.000	0.000
Other Corporate Items	86.228	(7.294)	79.934	(9.417)	(22.796)	(32.213)
Centrally Held Total	**140.696**	**(37.510)**	**104.187**	**(9.417)**	**(22.796)**	**(32.213)**
Proposed Transfers to / (from) reserves				0.000	0.000	0.000
Net Budget Requirement	**835.281**	**0.000**	**835.281**	**6.898**	**30.274**	**37.172**
Housing Revenue Account	0.000	0.000	0.000	0.000	0.000	0.000

Appendix 2

Policy Contingency Month 8 Monitoring to 30th November 2016

	Original Budget 2016/17	Approvals / Adjustments in Voyager	Revised Budget 2016/17	Approvals / Allocations not yet in Voyager as at 30th November	Proposals awaiting approval at 30th November	Proposed included within Month 8 report	Remaining Contingency if proposals approved
	£'000	£'000	£'000	£'000	£'000	£0	£'000
Redundancy Costs			0				0
Car Park Closure Resources	350	(98)	252	(252)			0
Carbon Reduction	1,020		1,020			(128)	892
Inflation Allowance	15,641	(11,154)	4,487		(1,527)	(1,813)	1,147
Highways Maintenance	750		750				750
Provision for unachievement of savings	10,750	(750)	10,000				10,000
Youth Strategy	1,000	(1,000)	0				0
Birmingham Jobs Fund	2,000	(2,000)	0				0
Business Charter for Social Responsibility	6,539	(6,539)	0				0
Improvement Expenditure	11,395	(7,133)	4,262	(1,262)			3,000
Combined Authority	500		500		(500)		0
Subtotal Specific Contingency	49,945	(28,674)	21,271	(1,514)	(2,027)	(1,941)	15,789
General Contingency	4,524	(1,542)	2,982	(212)		(120)	2,650
Total Contingency	**54,469**	**(30,216)**	**24,253**	**(1,726)**	**(2,027)**	**(2,061)**	**18,439**

Appendix 3

Directorate Savings Programme – Position at Month 8

Directorate	Description	Savings 2016/17 £m	Actions in place to fully achieve Savings (in line with Policy Decision) £m	Actions in place to fully achieve Savings (new Policy Decision required) £m	Actions in place to achieve savings in year only £m	Actions in place but some risk to delivery £m	Savings not deliverable £m	Savings not deliverable - Month 6 £m	Savings not deliverable - Month 4 (after new proposals) £m	Movement from Month 4 £m
People	Improving efficiencies. We want to make sure that all services have clear plans regarding how they spend money on workforce costs.	5.209	5.209	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Reduction in Adult Running Costs.	1.111	1.111	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Step up of savings re: Third Sector Commissioning and Supporting People.	3.400	2.346	0.000	1.054	0.000	0.000	0.000	0.000	0.000
	Adults and Communities Transformation programme.	10.631	0.000	0.000	0.000	1.350	9.281	7.686	6.686	2.595
	Joint Adults and Children's approach to transitions	2.000	0.000	0.000	0.000	0.000	2.000	2.000	2.000	0.000
	Redesign and integrate services at scale across the health and social care economy.	20.000	0.000	0.000	0.000	0.000	20.000	20.000	15.400	4.600
	Better Care Fund	8.400	0.000	0.000	0.000	0.000	8.400	8.400	0.000	8.400
	Public Health – Commissioning.	1.250	1.250	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Public Health – Decommissioning.	3.315	3.315	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Step up of previous Early Years savings.	1.000	0.000	0.000	0.000	1.000	0.000	0.000	0.000	0.000
	Promote independent travel and reduce reliance on council funded transport, underpinned by clear policy.	2.463	0.000	0.000	0.000	0.000	2.463	1.388	1.388	1.075
	Assistive Technology	1.600	0.800	0.000	0.000	0.000	0.800	0.800	0.800	0.000
	Further reduction in Younger Adults Care Packages (additional support).	1.068	0.000	0.000	0.000	0.000	1.068	1.068	1.068	0.000
	Further reduction in Younger Adults Care Packages (BAU).	7.638	0.000	0.000	0.000	0.000	7.638	7.638	7.638	0.000
	Expansion of Internal Services - Shared Lives	3.492	0.000	0.000	0.000	0.000	3.492	3.492	3.492	0.000
	Changes to Internal Services - Home Care Enablement	2.530	0.000	0.000	0.000	0.000	2.530	2.530	2.530	0.000
	Internal Care Review - Home Care Enablement.	1.500	0.000	0.000	0.000	0.000	1.500	1.500	1.500	0.000
	Abatement of Younger Adults Savings	(15.000)	0.000	0.000	0.000	0.000	(15.000)	(15.000)	(15.000)	0.000
	Public Health. Recommission of contracts and change of specifications for 'lifestyle services	1.200	0.000	0.000	0.000	1.200	0.000	0.000	0.000	0.000
	Other	(1.145)	(5.319)	0.000	0.100	2.590	1.484	0.902	0.830	0.654
People Total		**61.662**	**8.712**	**0.000**	**1.154**	**6.140**	**45.656**	**42.404**	**28.332**	**17.324**
Place	Discontinue subsidies Non Framework Contract at Health and Wellbeing Centres.	1.410	1.010	0.000	0.000	0.000	0.400	0.400	0.400	0.000
	Improving efficiencies. We want to make sure that all services have clear plans regarding how they spend money on workforce costs.	2.320	2.320	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Library of Birmingham/ Strategic Library Services. This is the full year effect of a saving identified in 2015/16	1.800	1.800	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Markets	1.000	0.850	0.000	0.000	0.000	0.150	0.150	0.150	0.000
	Pest Control	1.300	1.300	0.000	0.000	0.000	0.000	0.000		0.000
	Redesign street cleansing and a combination of enforcement, education and community marketing to encourage residents and businesses to keep streets/footpaths tidy.	1.500	0.000	0.000	0.000	0.000	1.500	1.500	1.500	0.000
	SN7 Reduce Reuse Recycle - Reduce failures/failed waste collections.	3.082	1.400	0.000	0.000	0.000	1.682	1.682	1.682	0.000
	Other	12.916	8.760	0.024	0.250	0.200	3.682	3.882	4.332	(0.650)
Place Total		**25.328**	**17.440**	**0.024**	**0.250**	**0.200**	**7.414**	**7.614**	**8.064**	**(0.650)**

Appendix 3

Directorate	Description	Savings 2016/17 £m	Actions in place to fully achieve Savings (in line with Policy Decision) £m	Actions in place to fully achieve Savings (new Policy Decision required) £m	Actions in place to achieve savings in year only £m	Actions in place but some risk to delivery £m	Savings not deliverable £m	Savings not deliverable - Month 6 £m	Savings not deliverable - Month 4 (after new proposals) £m	Movement from Month 4 £m
Economy	Highways Maintenance. Refinance of the PFI contract, review capital expenditure, review routine and reactive maintenance.	1.500	0.000	0.000	1.500	0.000	0.000	0.000	0.000	0.000
	Highway Maintenance & Management Services (Private Finance Initiative)	1.000	0.000	0.000	1.000	0.000	0.000	0.000	1.250	(1.250)
	Other	5.166	1.563	0.000	3.139	0.464	0.000	0.000	0.000	0.000
Economy Total		**7.666**	**1.563**	**0.000**	**5.639**	**0.464**	**0.000**	**0.000**	**1.250**	**(1.250)**
Corporate Resources	Improving efficiencies. We want to make sure that all services have clear plans regarding how they spend money on workforce costs.	2.360	0.000	0.000	2.187	0.173	0.000	0.000	0.000	0.000
	Reduce Local Welfare Assistance Provision Scheme.	1.600	1.600	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Service Birmingham	6.800	0.500	0.000	6.300	0.000	0.000	0.000	0.000	0.000
	Service Birmingham. We are proposing to reduce our ICT costs.	2.800	0.000	0.000	2.800	0.000	0.000	0.000	0.000	0.000
	Targeted net improvement in the housing benefit subsidy by reclaiming Housing Benefit Grant overpayments.	2.000	2.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	To reduce the amount the Council spends on Information and Communication Technology (ICT) over the next few years.	2.500	2.500	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Human Resources	1.200	0.000	0.000	0.000	1.200	0.000	0.000	0.000	0.000
	Integrated Support Services restructure	3.200	0.000	0.000	3.200	0.000	0.000	0.000	0.290	(0.290)
Corporate Resources Total		**28.436**	**10.522**	**0.000**	**15.561**	**2.353**	**0.000**	**0.000**	**0.290**	**(0.290)**
Cross Cutting	Other	0.146	0.146	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Cross Cutting Total		**0.146**	**0.146**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	0.000	0.000
Grand Total		**123.238**	**38.383**	**0.024**	**22.604**	**9.157**	**53.070**	**50.018**	**37.936**	**15.134**
	MONTH 6	123.238	37.803	0.024	22.604	12.789	50.018			

Notes:

1. Corporate mitigations of £22.796m have been identified against the Savings Programme. These would result in total net savings not deliverable of £30.274m.

Appendix 4

Write-off of Irrecoverable Housing Benefit, Council Tax and Business Rates

a. Irrecoverable Housing Benefit

In circumstances where Housing Benefit overpayments are identified as not being recoverable, or where recovery is deemed uneconomic, the City Council's Financial Regulations and delegated powers allow for these overpayments and income to be written off. All possible avenues must be exhausted before such write offs are considered. Amounts already written off will still be pursued should those owing the Council money eventually be located or returned to the city.

The cost to the Council of writing off these irrecoverable sums will be charged to the City Council's provision set up for this purpose, which includes sums set aside in previous years to meet this need. There is no direct effect on the revenue account.

In 2016/17, from 1st October 2016 to 30th November 2016, further items falling under this description in relation to Benefit overpayments have been written off under delegated authority. The table below details the total approved gross value of these amounts written off of £0.461m, which Members are asked to note.

Age analysis	Up to 2010/11	2011/12 – 13/14	2014/15 -16/17	**Total**
	£m	£m	£m	£m
Benefit Overpayments	0.010	0.072	0.379	0.461
Total				**0.461**

Section (d) of this Appendix gives a more detailed age analysis of overpayments and income written off.

b. Irrecoverable Council Tax & Business Rates

All Council Tax and Business Rates are due and payable. However, there are certain instances where the amount of the bill needs to be either written off or reduced (e.g. where people have absconded, have died, have become insolvent or it is uneconomical to recover the debt).

If an account case is subject to this, then consideration is given to write the debt off subject to the requirement for Service Birmingham Revenues to consider all options to recover the debt, prior to submitting for write off. However, once an account has been written off, if the debtor becomes known to the Revenues Service at a later date, then the previously written off amount will be reinstated and pursued.

In respect of Business Rates, where a liquidator is appointed, a significant period of time is taken to allow for the company's affairs to be finalised by and to subsequently determine if any monies are available to be paid to creditors. Once it is established this is not to happen, a final search of Companies House is undertaken to confirm the company has been dissolved.

Cabinet are requested to approve the writing off of business rates debts to the Council which are greater than £0.025m, totalling £0.997m as detailed in Section (c) of this Appendix. Further information in respect of these is available on request.

In 2016/17, from 1st October 2016 to 30th November 2016, further items falling under this description in relation to Council Tax and Business Rates have been written off under delegated authority. The table below details the total approved gross value of these amounts written off of £3.071m, which Members are asked to note.

Age analysis	Up to 2010/11	2011/12 - 13/14	2014/15 -16/17	**Total**
	£m	£m	£m	**£m**
Council tax	1.979	-	-	**1.979**
Business rates	0.535	0.557	-	**1.092**
TOTAL	**2.514**	**0.557**	**-**	**3.071**

Section (e) of this Appendix gives a more detailed age analysis of overpayments and income written off.

c. Business Rates Write Offs

i) Business Rates

Case No.	Supporting Information Further information in respect of the Business Rates Write Offs listed below is available on request.	Total Debt £
1	Liability Period(s)/Account Ref Number(s) Business Rates due for period 1/4/09-6/12/09 - 6004458933	37,130.72
2	Liability Period(s)/Account Ref Number(s) Business Rates due for period 1/4/10-31/3/11 – 6003278742	33,973.47
3	Liability Period(s)/Account Ref Number(s) Business Rates due for period 01/04/11-25/08/11 - 6004220675	27,150.97
4	Liability Period(s)/Account Ref Number(s) Business Rates due for period 05/08/11-20/03/12 - 6004789353	33,768.19
5	Liability Period(s)/Account Ref Number(s) Business Rates due for period 08/07/11-27/05/12 - 6004820722	49,648.38
6	Liability Period(s)/Account Ref Number(s) Business Rates due for period 27/9/10-22/9/11 – 6004619236	29,359.66
7	Liability Period(s)/Account Ref Number(s) Business Rates due for period 7/1/11-28/10/11 – 6004642293	47,052.77
8	Liability Period(s)/Account Ref Number(s) Business Rates due for period 29/3/11-30/10/12 – 6004681810	52,153.45
9	Liability Period(s)/Account Ref Number(s) Business Rates due for period 24/11/11-12/02/14 – 6004870824	27,062.62
10	Liability Period(s)/Account Ref Number(s) Business Rates due for period 27/03/12-18/07/13 – 6004935373	29,227.36
11	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for period 01/02/13-22/10/13 – 6004988065 - £39,223.56 Property 2 - Business Rates due for period 01/02/13-22/10/13 – 6005007265 - £5,436.43	44,659.99
12	Liability Period(s)/Account Ref Number(s) Business Rates due for period 30/7/11-22/12/11 – 6004748218 - £258.43 17/6/11-22/12/11 – 6004688037 - £2,668.98 31/5/11-22/12/11 – 6004685016 - £4,691.42 1/4/11-22/12/11 – 6004622820 - £2,595.58 1/4/11-22/12/11 – 6004585668 - £2,734.43 1/4/11-22/12/11 – 6004544921 - £3,362.33 1/4/11-6/7/11 – 6004577455 - £809.92 1/4/11-22/12/11 – 6004522427 - £3,424.38 1/4/11-22/12/11 – 6004907617 - £5,362.28 1/4/11-22/12/11 – 6004405990 - £4,575.95 1/4/11-22/12/11 – 6004443138 - £1,569.15 1/4/11-22/12/11 – 6004233952 - £1,732.16	184,005.60

	1/4/11-22/12/11 – 6004350514 - £3,015.21 1/4/12-10/6/13 – 6005011512 - £8,594.94 30/12/11-10/6/13 – 6004799664 - £9,575.05 23/12/11-10/6/13 – 6004799982 - £13.48 23/12/11-10/6/13 – 6004799880 - £7,388.20 23/12/11-10/6/13 – 6004799879 - £4,215.56 23/12/11-10/6/13 – 6004799857 - £3,814.79 23/12/11-10/6/13 – 6004799846 - £11,228.77 23/12/11-10/6/13 – 6004799835 - £8,388.45 23/12/11-10/6/13 – 6004799824 - £6,788.88 23/12/11-10/6/13 – 6004799813 - £11,228.77 23/12/11-10/6/13 – 6004799799 - £8,223.10 23/12/11-10/6/13 – 6004799788 - £6,454.92 23/12/11-10/6/13 – 6004799755 - £22,184.55 23/12/11-10/6/13 – 6004799733 - £13,065.56 23/12/11-10/6/13 – 6004799675 - £8,223.10 23/12/11-10/6/13 – 6004799653 - £4,250.76 23/12/11-10/6/13 – 6004907639 - £13,566.50	
13	Liability Period(s)/Account Ref Number(s) Business Rates due for period 28/04/12-19/03/13 – 6004854022	37,780.97
14	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for period 18/01/13-12/05/14 – 6004986149 - £22,649.47 Property 2 - Business Rates due for period 19/01/13-11/04/14 – 6004981677 - £11,421.68	34,071.15
15	Liability Period(s)/Account Ref Number(s) Business Rates due for period 01/4/11-15/5/12 – 6004362172 – £31,984.38 Business Rates due for period 16/5/12-16/7/13 – 6004872762 – £34,882.99	66,867.37
16	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for period 08/10/13-29/09/14– 6005158649 - £19,690.73 Property 2 - Business Rates due for period 18/03/14-12/10/14 – 6005226044 - £11,126.90	31,087.63
17	Liability Period(s)/Account Ref Number(s) Business Rates due for period 16/03/14-15/02/15 - 6005239161	49,003.67
18	Liability Period(s)/Account Ref Number(s) Business Rates due for period 01/04/14-04/05/15 – 6005029758	28,674.76
19	Liability Period(s)/Account Ref Number(s) Business Rates due for period 01/12/14-20/10/15 - 6005328363	39,074.22
20	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for period 20/2/14-18/8/14 – 6005228299 - £14,707.00 Property 2 - Business Rates due for period 12/8/14-23/1/15 – 6005372876 - £20,917.48	35,624.48
21	Liability Period(s)/Account Ref Number(s) Business Rates due for period 21/10/10-3/10/11 – 6004647538	30,265.04
22	Liability Period(s)/Account Ref Number(s) Business Rates due for period 04/03/15-25/09/15 – 6005428175	49,813.26
	TOTAL	**997,455.73**

Appendix 4

d. Age analysis of Overpayments and Debts written off under delegated authority by Revenues and Benefits Division

Detail	2003-2005/6	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Total	No of Debtors
Housing Benefit debts written off under delegated authority	£3,030	£96	£206	£2,052	£72	£3,875	£26,738	£10,292	£35,344	£109,624	£132,636	£136,584	£460,549	790
TOTAL	£3,030	£96	£206	£2,052	£72	£3,875	£26,738	£10,292	£35,344	£109,624	£132,636	£136,584	£460,549	790

Debt Size	Small		Medium		Large	Total	
Cases	**>£1,000**	**Cases**	**£1,001-£5,000**	**Cases**	**£5,000-£25,000**	**Cases**	
679	£165,835	103	£215,562	8	£79,152	790	£460,549

e. Age analysis of overpayments and debts written off under delegated authority by Revenues and Benefits Division

Detail	1997-2006/7	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Council tax written off under delegated authority	-	£853,321	£566,398	£271,366	£288,022	-	-	-	-	-	-
Business rates written off under delegated authority	£65,734	£25,946	£62,180	£162,817	£218,545	£239,959	£316,788	-	-	-	-
TOTAL	**£65,734**	**£879,267**	**£628,578**	**£434,183**	**£506,567**	**£239,959**	**£316,788**	-	-	-	-

Total number of council tax debts: 5,777
Total number of business rates debts: 414

Debt size analysis of overpayments and debts written off under delegated authority by Revenues and Benefits Division

Grouped by value	Small (<£1,000)		Medium (£1,000 - £5,000)		Large (>£5,000)		**TOTAL**	
	Value	Cases	Value	Cases	Value	Cases	**Value**	**Cases**
Council tax written off under delegated authority	£ 1,285,235	3,573	£ 693,872	431	-	-	**£ 1,979,107**	**4,004**
Business rates written off under delegated authority	£ 41,321	92	£ 265,331	103	£ 785,317	80	**£ 1,091,969**	**275**
TOTAL	£ 1,326,556	3,665	£ 959,203	534	£ 785,317	80	**£ 3,071,076**	**4,279**

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	**CABINET**	
Report of: **Date of Decision:**	**Strategic Director - Finance and Legal** **24th January 2017**	
SUBJECT:	**COUNCIL TAX BASE FOR 2017/2018**	
Key Decision: Yes / No	**Relevant Forward Plan Ref: 002713/2017**	
If not in the Forward Plan: **(please "X" box)**	**Chief Executive approved** ☐ **O&S Chairman approved** ☐	
Relevant Cabinet Member:	**Cllr Ward, Deputy Leader**	
Relevant O&S Chairman:	**Cllr Mohammed Aikhlaq, Corporate Resources and Governance Overview & Scrutiny Committee**	
Wards affected:	**All**	

1. Purpose of report:

1.1 This report seeks approval to the Council Tax base for 2017/2018 for the City Council, New Frankley in Birmingham Parish and Sutton Coldfield Town Councils. This forms an important part of the calculation of next year's revenue from Council Tax.

1.2 The report sets out the basis of the calculation and the assumptions which have been included.

2. Decision(s) recommended:

2.1 To approve a Council Tax base for Birmingham of 243,955 Band D equivalent properties, for 2017/2018, as calculated in Appendix 2, in accordance with The Local Authorities (Calculation of Council Tax base) (England) Regulations 2012.

2.2 To approve a Council Tax base for the New Frankley in Birmingham Parish Council of 1,325 Band D equivalent properties for 2017/2018, as calculated in Appendix 3.

2.3 To approve a Council Tax base for the Sutton Coldfield Town Council of 36,689 Band D equivalent properties for 2017/2018, as calculated in Appendix 4.

Lead Contact Officer(s):	**Ian Harris, Senior Business Analyst**
Telephone No: **E-mail address:**	0121-464 9367 Ian.harris@birmingham.gov.uk

3.	**Consultation**
	Consultation should include those that have an interest in the decisions recommended
3.1	Internal
	The Service Director – Customer Services and the Deputy Leader of the Council have been consulted in the preparation of this report.
3.2	External
	No public consultation is required on the Council Tax base. It is a statement of fact supplemented by the City Council's forecast of likely changes to the taxbase in 2017/18.
4.	**Compliance Issues:**
4.1	Are the recommended decisions consistent with the Council's policies, plans and strategies?
	The completion of the Council Tax base does not have any direct implications for the City Council's Corporate Policy Priorities.
4.2	Financial Implications (Will decisions be carried out within existing finance and Resources?)
	The Council Tax base in conjunction with the Council Tax level (to be approved at the Council meeting on the 28th February 2017) will determine the total income from Council Tax in 2017/18 to be included in the approved budget for next year.
4.3	Legal Implications
	The Council is required to set the tax base under the Local Government Finance Act 1992. The tax base is a factor in the determination of the planned level of Council Tax income which can be collected next year. The Local Government Act 2003 removed the requirement for this to be a matter reserved for approval by Full Council. The report does not have any other direct implications.
4.4	Public Sector Equality Duty (see separate guidance note)
	There are no specific Equality Duty or Equality Analysis issues relating to the proposals set out in this report.

5.	Relevant background/chronology of key events:

5.1 The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, requires local authorities to determine their tax base for Council Tax setting purposes before 31 January each year. This enables billing authorities, like Birmingham, to calculate the number of properties where Council Tax is payable and to inform other precept bodies (in our case the West Midlands Police & Crime Commissioner, the Fire and Rescue Authority, New Frankley in Birmingham Parish and Sutton Coldfield Town Councils) and other levying bodies, by 31 January, of this figure for precept/levying purposes.

5.2 The HM Revenue & Customs Valuation Office Agency (VOA) provided the City Council with an updated copy of the valuation list, as at 13th September 2016. This was used in completing the Council Tax base Return (CTB) to Central Government (CLG) on 14th October 2016, representing the 2016/17 tax base as at the 13th September 2016.

5.3 The City Council then determines the tax base for tax setting purposes for 2017/18. The calculation in this report is based upon the valuation list as at 30th November 2016 and also takes into account forecasts of discounts, exemptions and other changes likely to affect the number of properties on which full Council Tax will be payable and is inclusive of those changes which are predicted to happen by the end of 2017/18 e.g. successful appeals against valuation bands. Details of these factors are included within Appendix 1.

5.4 There has been a net increase of 2,744 (0.6%) in the total number of domestic properties in the past year to 30th November 2016, compared with an increase of 2,626 (0.6%) during the previous 12 month period. The table in Appendix 1 shows the number of properties by band in Birmingham as at 30th November 2016 and highlights the changes since November 2015. The valuation list shows that 82.9% of all domestic properties in Birmingham have been allocated to “below average value” categories (i.e. Bands A-C), a very marginal reduction from last year when the figure was 83.0%, but indicating that there has been no real overall change in the average banding of properties.

5.5 The final part of the calculation is the application of the anticipated tax collection rate. A budgeted eventual composite collection rate of 97.1% was approved for 2016/17. This consisted of an assumed collection rate of 98% for the majority of taxpayers but lower rates for those in receipt of Council Tax Support discounts, (in accordance with previous decisions). It is recommended that the overall eventual composite rate of collection should remain unchanged at 97.1% in 2017/18. On this basis, the tax base for setting the Council Tax for 2017/18 will be 243,955 Band D equivalent properties. However, whilst being prudent in its planning assumptions, the Council will seek to maximise the rate of collection. In the event that collection performance eventually exceeds the assumed rate, the resultant surplus will become available to be taken into account in setting future years’ budgets.

5.6 The 2017/18 Council Tax base is an increase of 4,913 (2.1%) Band D equivalent properties from 2016/17. The main reasons for this are an increase of 2,504 (1.0%) new Band D equivalent properties forecast for the period up to 31st March 2018, a reduction in the level of Council Tax Support discounts anticipated that will be awarded based on historical trends, offset by an increase in student exemptions as a result of a proportion of growth being attributable to new student accommodation in and around the city's universities. The anticipated reduction in the Council Tax Support scheme reflects the analysis included within the Annual Review of the City Council's Council Tax Support Scheme Report that was presented to Council on Tuesday 10th January 2017 which recommended that, overall, the scheme remains unchanged for 2017/18. In addition, provision has been made within the tax base to support young people leaving care ensuring they will not be liable for council tax.

5.7 Cabinet is asked to approve the tax base for Birmingham of 243,955 Band D equivalent properties. Once formally determined, this tax base cannot subsequently be altered, and will be used when the City Council sets the Council Tax for 2017/18.

5.8 Cabinet is also asked to approve the tax base for the New Frankley in Birmingham Parish Council which, after applying the collection rate described above, produces a taxbase figure of 1,325 Band D equivalent properties. This is an increase of 13 on the Band D equivalent properties for 2016/17.

5.9 Cabinet is also asked to approve the tax base for the Sutton Coldfield Town Council which, after applying the collection rate described above, produces a tax base figure of 36,689 Band D equivalent properties. This is an increase of 180 on the Band D equivalent properties for 2016/17.

6. Evaluation of alternative option(s):

6.1 Not Applicable

7. Reasons for Decision(s):

7.1 The Council Tax base for 2017/2018 must, by law, be set and communicated to preceptors and levying bodies by no later than the end of January, each year.

Signatures		**Date**
Cabinet Member	…….	…….
Chief Officer	……..	…….

List of Background Documents used to compile this Report:
CTB Form (DCLG)

List of Appendices accompanying this Report (if any):
1. Further details of the Council Tax base calculation 2. Calculation of Council Tax base for Birmingham 3. Calculation of Council Tax base for New Frankley in Birmingham Parish Council 4. Calculation of Council Tax base for Sutton Coldfield Town Council

Report Version	V1.0	Dated	

Further details of the Council Tax base Calculation

The calculation of the tax base for 2017/18 commences with the total number of properties on HM Revenue & Customs valuation list at 30th November 2016, as follows:

Band	2017/18				2016/17		Annual Movement	
	No. Properties 2017/18	Proportion in Band %	Cumulative Proportion %	No. Band D Equivalent	No. Properties 2016/17	No. Band D Equivalent	No. Properties	No. Band D Equivalent
A	157,293	36.0%	36.0%	104,863	156,881	104,588	412	275
B	128,119	29.3%	65.3%	99,648	127,437	99,118	682	530
C	76,929	17.6%	82.9%	68,381	76,100	67,644	829	737
D	38,797	8.9%	91.8%	38,797	38,272	38,272	525	525
E	20,712	4.7%	96.5%	25,315	20,557	25,125	155	190
F	8,713	2.0%	98.5%	12,585	8,607	12,432	106	153
G	5,769	1.3%	99.8%	9,615	5,735	9,558	34	57
H	871	0.2%	100.0%	1,742	870	1,740	1	2
Total	**437,203**	**100.0%**		**360,946**	**434,459**	**358,477**	**2,744**	**2,469**

The following additional factors have been then taken into account and have to be calculated for each of the property bands (A to H):

- An estimate of the number of properties which will be exempt from Council Tax;
- An estimate of the number of properties that will be reallocated to a lower tax band under the “disabled relief” scheme;
- An estimate of the number of appeals against valuation that are likely to succeed;
- An estimate of the number of new properties which will become liable for tax before 1 April 2017, or during 2017/2018, together with any properties which will cease to be liable - and the proportion of the year for which that liability is likely to exist;
- An estimate of the number of properties for which discounts will apply, and the number of discounts for each property. This includes the Council Tax Support scheme which includes a discount of up to 80%. The number of Council Tax Support recipients has been assumed to fall by 1,909 Band D equivalents compared with the budgeted figure for 2016/17. This takes account of an assessment of the expected number and level of Council Tax Support discounts, drawing on experience of discounts awarded in 2016/17 and previous years.
- An estimate of the number of properties which will be classed as long term empty and therefore will attract a premium of 50%.

The calculations of the above factors for each tax band are set out in Appendix 2 to this report. The equivalent information for New Frankley in Birmingham Parish Council is shown in Appendix 3 and Appendix 4 for Sutton Coldfield Town Council. These also show how the number of taxable properties in each band has to be adjusted to produce a value expressed as an equivalent number of “Band D” properties (as required by the Council Tax legislation).

Council Tax Base - Birmingham 2017-18

	Property Band	Band AR	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total Properties	Band D Equivalent Properties
i)	Dwellings on valuation list	0	157,293	128,119	76,929	38,797	20,712	8,713	5,769	871	437,203	360,946
ii)	Estimated Exemptions	0	(5,120)	(4,386)	(2,488)	(2,502)	(1,101)	(154)	(81)	(33)	(15,865)	(13,307)
iii)	Net adjustment in respect of estimated disabled relief	246	301	(73)	(180)	(102)	(98)	(14)	(30)	(50)	0	(271)
iv)	Net adjustment in respect of estimated successful appeals and other adjustments	0	(861)	(799)	(443)	(219)	(105)	(31)	(19)	(3)	(2,480)	(2,019)
v)	Net adjustment in respect of estimated new properties	0	1,093	889	534	269	143	60	40	6	3,034	2,504
	No. of chargeable dwellings	246	152,706	123,750	74,352	36,243	19,551	8,574	5,679	791	421,892	347,853
vi)	Total no. of discounts (including Council Tax Support)	(98)	(68,976)	(36,712)	(15,120)	(5,117)	(1,741)	(539)	(292)	(34)	(128,629)	(96,612)
	Equivalent no. of chargeable dwellings net of discounts	148	83,730	87,038	59,232	31,126	17,810	8,035	5,387	757	293,263	251,241
	Statutory proportion	5/9	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9		
	Equivalent Band D properties (the "Relevant Amounts")	**82**	**55,820**	**67,696**	**52,651**	**31,126**	**21,768**	**11,606**	**8,978**	**1,514**	**TOTAL =**	**251,241**
	ALLOWANCE FOR NON-COLLECTION (2.9%)	(2)	(1,619)	(1,963)	(1,527)	(903)	(631)	(337)	(260)	(44)	TOTAL =	(7,286)
	TOTAL	**80**	**54,201**	**65,733**	**51,124**	**30,223**	**21,137**	**11,269**	**8,718**	**1,470**	**TOTAL =**	**243,955**

Council Tax Base - New Frankley in Birmingham Parish Council 2017-18

Property Band		Band AR	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total Properties	Band D Equivalent Properties
i)	Dwellings on valuation list	0	1,557	1,591	104	58	1	0	0	1	3,312	2,429
ii)	Estimated Exemptions	0	(17)	(5)	0	0	0	0	0	0	(22)	(15)
iii)	Net adjustment in respect of estimated disabled relief	3	2	(4)	(1)	0	0	0	0	0	0	(1)
iv)	No. of chargeable dwellings	3	1,542	1,582	103	58	1	0	0	1	3,290	2,413
v)	Total no. of discounts (including Council Tax Support)	(2)	(855)	(587)	(17)	(6)	0	0	0	0	(1,467)	(1,049)
	Equivalent no. of chargeable dwellings net of discounts	1	687	995	86	52	1	0	0	1	1,823	1,364
	Statutory proportion	5/9	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9		
	Equivalent Band D properties (the "Relevant Amounts")	**1**	**458**	**774**	**76**	**52**	**1**	**0**	**0**	**2**	**TOTAL =**	**1,364**
	ALLOWANCE FOR NON-COLLECTION 2.9%	0	(13)	(22)	(2)	(2)	0	0	0	0	TOTAL =	(39)
	TOTAL	**1**	**445**	**752**	**74**	**50**	**1**	**0**	**0**	**2**	**TOTAL =**	**1,325**

Council Tax Base - Sutton Coldfield Town Council 2017-18

	Property Band	Band AR	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total Properties	Band D Equivalent Properties
i)	Dwellings on valuation list	0	3,310	5,518	7,503	9,430	8,563	4,117	2,584	369	41,394	44,056
ii)	Estimated Exemptions	0	(61)	(58)	(86)	(84)	(50)	(29)	(19)	(1)	(388)	(383)
iii)	Net adjustment in respect of estimated disabled relief	3	12	19	14	37	(41)	(19)	(15)	(10)	0	(49)
iv)	No. of chargeable dwellings	3	3,261	5,479	7,431	9,383	8,472	4,069	2,550	358	41,006	43,624
v)	Total no. of discounts (including Council Tax Support)	(2)	(1,616)	(1,573)	(1,313)	(1,075)	(621)	(228)	(112)	(10)	(6,550)	(5,839)
	Equivalent no. of chargeable dwellings net of discounts	1	1,645	3,906	6,118	8,308	7,851	3,841	2,438	348	34,456	37,785
	Statutory proportion	5/9	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9		
	Equivalent Band D properties (the "Relevant Amounts")	**1**	**1,097**	**3,038**	**5,438**	**8,308**	**9,596**	**5,548**	**4,063**	**696**	**TOTAL =**	**37,785**
	ALLOWANCE FOR NON-COLLECTION 2.9%	0	(32)	(88)	(158)	(241)	(278)	(161)	(118)	(20)	TOTAL =	(1,096)
	TOTAL	**1**	**1,065**	**2,950**	**5,280**	**8,067**	**9,318**	**5,387**	**3,945**	**676**	**TOTAL =**	**36,689**

BIRMINGHAM CITY COUNCIL

PUBLIC

Report to:	**CABINET**	
Report of: **Date of Decision:**	**Strategic Director - Finance and Legal** **24th January 2017**	
SUBJECT:	**BUSINESS RATES INCOME 2017/18**	
Key Decision: Yes	**Relevant Forward Plan Ref: 002712/2017**	
If not in the Forward Plan: **(please "X" box)**	**Chief Executive approved** ☐ **O&S Chairman approved** ☐	
Relevant Cabinet Member(s):	**Cllr Ward, Deputy Leader**	
Relevant O&S Chairman:	**Cllr Mohammed Aikhlaq, Corporate Resources and Governance Overview & Scrutiny Committee**	
Wards affected:	**All**	

1. Purpose of report:

1.1 This report seeks approval to the City Council's business rates income projection for 2017/18 for submission to the Government. This forms the calculation of next year's revenue from business rates.

1.2 The report sets out the basis of the calculation and the assumptions included.

2. Decision(s) recommended:

2.1 To approve the Business Rates Income for 2017/18 for Birmingham, as per appendix 1 and 2, whether or not the West Midlands Local Authorities enter into a 100% business rates pilot.

2.2 Note that in the event that the Council becomes part of the Pilot the 2017/18 business rates income for Birmingham will be as shown in Appendix 1. This assumes 99% of the total business rates yield is retained by the City Council under the 100% Business Rates Pilot scheme effective from 1st April 2017. The West Midlands Fire and Rescue Authority will continue to receive 1%.

2.3 Note that in the event that the Pilot does not go ahead as planned, the 2017/18 business rates income for Birmingham will be as shown in Appendix 2. This assumes 49% of the total business rates yield is retained by the City Council under the current scheme. The West Midlands Fire and Rescue Authority will continue to receive 1% and Central Government 50%.

Lead Contact Officer(s):	**Ian Harris, Senior Business Analyst**
Telephone No: **E-mail address:**	0121-464 9367 Ian.harris@birmingham.gov.uk

3. Consultation

3.1 Internal

Officers in the Economy Directorate have been consulted in determining a forecast for business rates in 2017/18. The Deputy Leader of the Council has been consulted in the preparation of this report.

3.2 External

No consultation is required on the business rates income projection. It is a statement of fact supplemented by the City Council's estimate of likely growth and other changes in business rates in 2017/18.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

The completion of the business rates income projection does not have any direct implications for the City Council's Corporate Policy Priorities.

4.2 Financial Implications
(Will decisions be carried out within existing finances and Resources?)

This business rates income projection will determine the income retained from business rates in respect of 2017/18, and will feed into budget calculations for the next financial year. The City Council calculates the level of business rates in the city based on the latest information available from the Valuation Office Agency (VOA) and also projects forward the level of additional business rates that is expected to be collected up to 31 March 2018. As part of the Business Rates Pilot, the City Council will be able to plan for the retention of 99% of this income (£399.302m) in 2017/18 when setting its budget. Should the Pilot not go ahead as planned the City Council will be able to plan for the retention of 49% of this income (£197.634m) in 2017/18. Under the Pilot, the increase in the Business Rates Baseline will be offset by adjustments to other grants received from the Government such as the Revenue Support Grant (RSG) and Business Rates Top-Up Grant. The Government has stated that there will be no financial detriment to the members of the Pilot at an aggregate level as a result of the decision to take part in the Business Rates Pilot compared to what would have been received under the current scheme. The pilot authorities have agreed internally to honour this no detriment agreement at the local level.

4.3 Legal Implications

The Council has always submitted a business rates return to the Government each year. As a result of the introduction of the Business Rates Retention Scheme through the Local Government Finance Act 2012, each billing authority is required to give formal approval to the business rates income projection due to its strong links with the budget setting process. The calculation and approval of the Council Tax Base will similarly be considered by Cabinet elsewhere on this agenda.

4.4 Public Sector Equality Duty (see separate guidance note)

There are no specific Equality Duty or Equality Analysis issues relating to the proposals set out in this report.

5. Relevant background/chronology of key events:

Business Rates Income

5.1 2017 is a re-valuation year. This means that the Valuation Office Agency (VOA) will use updated rateable values of properties in England and Wales in their 2017 valuation list from 1st April 2017.

5.2 The Valuation Office Agency (VOA) provided the City Council with the draft 2017 valuation list as at 25th September 2016. This has been used in calculating the business rates income projection. The Government continues to set the business rates multiplier which determines the level of business rates that each business pays. Valuations, on average, have increased nationally by 9.6% compared with the previous VOA '2010' list. In calculating the business rates multiplier, the Government ensures that the effect of re-valuation is neutralised at a national level so that total income from business rates remains broadly equal to the level generated from the updated 2010 rating list provided on 23rd September 2016. However, individual local authorities may see their business rates income increase or reduce as a result of re-valuation depending on whether the change in aggregate rateable value for their area is higher or lower than the national average. To neutralise any effect at a local level the Government will adjust the individual authorities' top-up grant or tariff payment due under the business rates retention scheme. In Birmingham the valuations have increased by 4.1% on average. Although once combined with the change in the multiplier, business rates income levels have reduced by 4.5%. This will be compensated for through an adjustment to the top-up grant from the Government.

5.3 The City Council has forecast the levels of growth, appeals and non-collection that are expected to occur in 2017/18 after taking account of re-valuation. This forecast is based on developments that are ongoing and planning approvals that are in place and expected to be completed in 2017/18.

5.4 The value of business rates growth over and above a pre- determined baseline expected to be collected from the Enterprise Zone is required to be calculated separately from the City Council's element of total income as this resource is ring fenced in its entirety to the Enterprise Zone.

5.5 In any year a proportion of the billed business rates cannot be collected, for example due to businesses going into liquidation. The City Council has made an assumption of 2% for non-collection in line with local historic experience. Should this collection rate be improved upon, the resulting surplus will become available to assist in budget setting in future financial years.

5.6 Each year appeals are made against the rateable value of properties that has been determined by the Valuation Office Agency. Appeals that are upheld are then backdated to the beginning of the ratings list period, or when the change in circumstances came into existence if later than this date. It is prudent for the City Council to make an assumption about the level of successful appeals that will be made each year to set aside adequate provision for repaying appeals.

5.7 The Government announced in its March Budget 2016 that there will be a permanent continuation of additional discounts to be awarded to small businesses in 2017/18 and future years. In addition the Government also announced changes to the parameters and thresholds for the awarding of small business relief resulting in more businesses benefitting in future. These changes impact both on the level of retained business rates generated along with the general unringfenced grants paid to compensate local authorities for loss of income.

5.8 After allowing for these changes and as a result of entering into a 100% Business Rates Pilot, the City Council's total projected retained income for 2017/18 from business rates is expected to be £399.302m (99%). In addition the City Council expects to receive compensatory grants of £28.507m. Revenue Support Grant from Central Government will no longer be received and top-up grant related income will be adjusted accordingly. Overall, the Government's no financial detriment policy along with our local agreement with pilot authorities will ensure that the Council is not adversely affected as a result of the decision to take part in the Business Rates Pilot compared to what it would otherwise have received, but it is expected that extra resources will be secured from the real terms growth in the former "Central Share" above the business rates baseline which has occurred since the inception of the locally retained business rates scheme. It is estimated that the additional resource to be taken into account in the Council's income will amount to £10m in 2017/18.

5.9 At its meeting of 18th October 2016 and as part of the Corporate Revenue Budget Monitoring 2016/17 Month 5 Report, Cabinet approved the participation of the City Council in the West Midlands Business Rates Retention Pilot, the City Council acting as the Lead Authority in the operation of the Pilot, and the delegation of authority to agree to the final details to the Strategic Director – Finance & Legal, in consultation with the Leader.

5.10 The process of finalising the arrangements for the Business Rates Pilot with Central Government is expected to be completed by the end of January or early February in time for the final local government finance settlement for 2017/18.

5.11 There will be no impact upon the annual billing process or the amount that individual businesses are charged as a result of the final approved scheme.

5.12 If the finalisation of pilot arrangements was not completed in time for the final local government finance settlement then the Council would continue to operate under the current scheme. If this were the case, the City Council's total projected retained income for 2017/18 from business rates is expected to be £197.634m with compensatory grants of £14.110m. In these circumstances Revenue Support Grant would be retained but the additional benefits from participating in the pilot (as referred to in paragraph 5.8) would be lost.

6.	Evaluation of alternative option(s):
6.1	There are no alternative options to the calculation of the Business Rates Income Projection.

7.	Reasons for Decision(s):
7.1	The business rates income projection is a key component in calculating the resources available to the City Council when setting its budget. It will also inform the key Business Rates Return (NNDR1) to Central Government which must, by law, be approved and communicated to the Government and Fire Authority no later than 31 January, each year.

Signatures

		Date
Deputy Leader	…….	……
Chief Officer:	…….	……

List of Background Documents used to compile this Report:

List of Appendices accompanying this Report (if any):

1. Business Rates Income. 100% Pilot Scheme.
2. Business Rates Income. Original Scheme.

Report Version		**Dated**	

Appendix 1

Calculation of Business Rates Income – Pilot Scheme

	Outside the Enterprise Zone	Enterprise Zone
Number of hereditaments on the rating list 25th September 2016	45,308	1,391
	£	£
Aggregate rateable value on the rating list 25th September 2016	1,078,325,323	32,685,613
Small Business Non-Domestic Rating Multiplier	0.466	0.466
Gross Calculated Rate Yield	**502,499,601**	**15,231,496**
Less: Mandatory Reliefs	(82,853,539)	(1,886,054)
Less: Discretionary Reliefs	(891,997)	(870,610)
Plus: Forecast for Growth	7,525,000	106,155
Gross Rate Yield after Reliefs and Growth	**426,279,065**	**12,580,987**
Less : Estimate of Losses in Collection for Current Year at 2%	(8,740,967)	(36,234)
Less : Allowance for Cost of Collection	(1,893,141)	0
Enterprise Zone Baseline	10,769,281	(10,769,281)
Less: Estimate of Rates to be Retained due to Renewable Energy Schemes	0	0
Net Rate Yield	**426,414,238**	**1,775,472**
Less: Allowance for Appeals and Prior Years Adjustments	(23,078,669)	(250,895)
Net Rate Yield after Allowance for Appeals to be distributed	**403,335,569**	**1,524,577**
Less: Transitional relief due to increase in business rates being deferred	(23,864,546)	0
Plus: Transitional relief due to decrease in business rates being deferred	27,293,480	0
Net Rate Yield after Transitional Arrangements to nearest £	**406,764,503**	**1,524,577**
0% of Business Rates to be paid over to Central Government	0	
99% of Business Rates to be retained by Birmingham	399,302,213	
1% of Business Rates to be retained by West Midlands Fire and Rescue Authority	4,033,356	
100% of Business Rates to be retained by GB&S Local Enterprise Partnership		1,524,577
Total Business Rates Redistributed through Rates Retention Scheme	**403,335,569**	**1,524,577**
Retained Income		
Total Resources before Funded Reliefs	**399,302,213**	**1,524,577**
Enterprise Zone Relief retained in full (included in discretionary relief above)	**0**	**845,610**
Section 31 Grants:		
Small Business Relief	22,509,367	447,846
Inflation (2015-16 2% Multiplier Cap)	5,998,102	22,901
Total	**28,507,469**	**470,747**
Total Resources Including Funded Reliefs	**427,809,682**	**2,840,934**

Appendix 2

Calculation of Business Rates Income – Current Scheme

	Outside the Enterprise Zone	Enterprise Zone
Number of hereditaments on the rating list 25th September 2016	45,308	1,391
	£	£
Aggregate rateable value on the rating list 25th September 2016	1,078,325,323	32,685,613
Small Business Non-Domestic Rating Multiplier	0.466	0.466
Gross Calculated Rate Yield	**502,499,601**	**15,231,496**
Less: Mandatory Reliefs	(82,853,539)	(1,886,054)
Less: Discretionary Reliefs	(891,997)	(870,610)
Plus: Forecast for Growth	7,525,000	106,155
Gross Rate Yield after Reliefs and Growth	**426,279,065**	**12,580,987**
Less : Estimate of Losses in Collection for Current Year at 2%	(8,740,967)	(36,234)
Less : Allowance for Cost of Collection	(1,893,141)	0
Enterprise Zone Baseline	10,769,281	(10,769,281)
Less: Estimate of Rates to be Retained due to Renewable Energy Schemes	0	0
Net Rate Yield	**426,414,238**	**1,775,472**
Less: Allowance for Appeals and Prior Years Adjustments	(23,078,669)	(250,895)
Net Rate Yield after Allowance for Appeals to be distributed	**403,335,569**	**1,524,577**
Less: Transitional relief due to increase in business rates being deferred	(23,864,546)	0
Plus: Transitional relief due to decrease in business rates being deferred	27,293,480	0
Net Rate Yield after Transitional Arrangements to nearest £	**406,764,503**	**1,524,577**
50% of Business Rates to be paid over to Central Government	201,667,784	
49% of Business Rates to be retained by Birmingham	197,634,429	
1% of Business Rates to be retained by West Midlands Fire and Rescue Authority	4,033,356	
100% of Business Rates to be retained by GB&S Local Enterprise Partnership		1,524,577
Total Business Rates Redistributed through Rates Retention Scheme	**403,335,569**	**1,524,577**
Retained Income		
Total Resources before Funded Reliefs	**197,634,429**	**1,524,577**
Enterprise Zone Relief retained in full (included in discretionary relief above)	**0**	**845,610**
Section 31 Grants:		
Small Business Relief	11,141,000	447,846
Inflation (2015-16 2% Multiplier Cap)	2,968,758	22,901
Total	**14,109,758**	**470,747**
Total Resources Including Funded Reliefs	**211,744,187**	**2,840,934**

BIRMINGHAM CITY COUNCIL

PUBLIC

Report to:	**CABINET**	
Report of: **Date of Decision:**	**Strategic Director Change and Support Services** **24th January 2017**	
SUBJECT:	**SUSTAINABLE URBAN DEVELOPMENT (SUD) FUND – ACCEPTANCE OF INTERMEDIATE BODY STATUS**	
Key Decision: Yes	**Relevant Forward Plan Ref: 002854/2017**	
If not in the Forward Plan: **(please "X" box)**	**Chief Executive approved** ☐ **O&S Chairman approved** ☐	
Relevant Cabinet Member(s):	**Councillor Ian Ward, Deputy Leader of the Council**	
Relevant O&S Chairman:	**Councillor Zafar Iqbal, Economy, Skills and Sustainability**	
Wards affected:	**All**	

1. Purpose of report:

1.1 To accept an offer from the Department of Communities and Local Government (DCLG) for Birmingham City Council (BCC) to act as the Intermediate Body (IB) to carry out the function of allocating £10.13m (potentially extendable to £23.65m) of European Regional Development Funds (ERDF) grant to SUD eligible projects.

1.2 To note that accepting the IB status will enable DCLG to discharge a national duty for the allocation of SUD funds and allow BCC decision making powers over the selection of projects that will support the economy and environment on the introduction of High Speed Rail (HS2).

2. Decision(s) recommended:

That Cabinet :

2.1 Subject to the receipt of the final Memorandum of Understanding between DCLG and BCC that does not materially differ from the draft version received by the council and attached at appendix 2:
approves the acceptance of Intermediate Body (IB) status by the City Council and the duties of allocating the SUD/ERDF grant of £10.13m (potentially extendable up to £23.65m) to eligible projects in support of HS2 priorities for the duration of the programme expenditure period to 2023.

2.2 Accepts SUD/ERDF revenue grant to fund 1.0 FTE post and overheads to provide the administration to carry out IB functions over a time period to complement the council's IB status.

2.3 Authorises the programme governance arrangements as set out within this report and delegates to the Strategic Director of Finance and Legal Services the authority to recommend projects to DCLG for funding approval on the direction of the SUD Sub-Committee.

2.4 Authorises the Acting City Solicitor to negotiate, execute, complete and seal the relevant documents necessary to give effect to these recommendations.

Lead Contact Officer(s):	Lloyd Broad, Head of European and International Affairs
Telephone No: **E-mail address:**	0121 303 2377 Lloyd.broad@birmingham.gov.uk

3. Consultation

3.1 Internal

The Cabinet Members for Jobs and Skills, for Clean Streets, Recycling and Environment and for Transport and Roads have been consulted and support this report proceeding for Executive decision. City Finance and Legal and Democratic Services have been involved in advising on the development and management of the SUD IB Status. The HS2 project management team have also been consulted.

3.2 External

The development of SUD has been carried out in consultation with DCLG. The European Structural and Innovation Funds (ESIF) Committee for the GBSLEP area comprising of Local Authorities, Higher Education, Further Education, GBSLEP, private sector, Environment Agency, Trade Union sector representatives and others have been consulted regularly. All UK core cities have been involved in the formation of SUD at a national level. Solihull MBC has been consulted directly due the HS2 footprint also being within their boundary.

3.3 This report has been adapted based on the comments of the consultees and is supported by them.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

4.1.1 The objectives of the programme are consistent with the long term outcomes of the Council Business Plan and Budget 2016+. The SUD IB status and allocating grant to priority projects will contribute towards the City Council's priority outcome one: A Strong Economy by secure investment in the themes of low carbon energy and infrastructure and environmental enhancements to support the introduction of the HS2 rail line. This will deliver on the sub-outcomes of an innovative green city; sustainable growth and employment; energy use optimised and enhanced transport links.

4.1.2 SUD is also fully aligned to the GBS LEP "The Midlands HS2 Growth Strategy", which seeks to maximise the benefits of the largest infrastructure project in Europe and accelerate the UK's engine of growth.

4.1.3 DCLG as the contracting body is not able to require grant recipients to sign up to the Birmingham Business Charter for Social Responsibility.

4.2 Financial Implications

4.2.1 The City Council will use the IB status powers to make decisions on which projects to fund from the SUD budget based on the strategic fit of the projects to the ESIF and SUD strategies in alignment and conjunction with the region's HS2 Environmental and Landscape Prospectus. DCLG will retain Managing Authority functions and as such will be responsible for the appraisal, due diligence and contracting with successful grant applicants. Final approval of grant will be a joint decision of both the IB and DCLG. BCC has no role in the contracting arrangements and will not hold the funds. The council will be liable for any financial correction imposed by DCLG or the EU that arises as a direct result of an irregularity or systemic irregularity arising from any act or omission of BCC acting as IB relating to its delegated tasks. Governance and support arrangements have been designed to minimise the risk of such an eventuality occurring.

4.2.2 Total SUD project expenditure is expected to be £20.2m comprising grant of £10.1m (eligible for both capital and revenue expenditure) and an equivalent amount of public and private sector match funding put forward by the applicants for grant funding. This may rise to £47.3m spend (£23.65m grant) depending on the outcome of a request that has been submitted to DCLG to align other, unallocated relevant ESIF funds from the relevant priority axis to SUD. The timescale for a decision on this matter is not known at this point. The funds will be made available on signature of the IB Status Agreement with DCLG and the programme is part of the ERDF 2014-2020 Programme. The IB arrangement will continue for the duration of the programme expenditure period to 2023.

4.2.3 BCC will be able to claim SUD/ERDF grant from DCLG towards the administration costs and to fund one full time post as part of this process.. Grant is provided at 50% rate and the match funding required will be provided by 1 FTE of existing European and International Affairs (EIA) staff. EIA therefore will fill a vacant post that will be fully funded and recruited to on a fixed term basis. Overheads are funded by a 7.5% additional grant against the staff cost. There will be no ongoing revenue implications for the City Council as a consequence of this project.

4.2.4 Governance of the BCC process will take place via the creation of a new sub-committee of the main ESIF Committee. This SUD Sub Committee will consist of the same spread of organisations as the members of the ESIF Committee and will discuss the applications submitted via DCLG and its portal website. The Committee includes representation from Local Authorities (members and officers), Higher Education, Further Education, business, GBSLEP, voluntary sector, Environment Agency, Trade Unions and government departments DCLG, DWP and DEFRA. The SUD Sub-committee will give views and advice on the project applications to BCC. It is then BCC's role as IB to come to a formal decision on which projects to recommend for approval by DCLG who remain the Managing Authority for these funds. The final BCC approval will be made in consultation with the Strategic Director Finance and Legal. These governance arrangements satisfy the relevant EU rules with regards to the Member State 'Partnership Agreement' and 'Code of Conduct'. Implementation of the Sub-Committee governance process will enable potential conflicts of interest arising from applications from participating members to be dealt with by exclusion of that party from the decision making process and all final approvals will be at the direction of the sub-committee. Any BCC applications will be subject to the standard internal gateway process prior to or in parallel with the application for grant funding as appropriate.

4.3 Legal Implications

The SUD IB programme is being delivered under the Council's general power of competence under section 1 Localism Act 2011.

4.4 Public Sector Equality Duty (see separate guidance note)

The SUD programme will be open to all applicants. There are no conditions placed on who can apply for funding as long as the project is delivered within the required geography. An initial Equalities Analysis has been carried out in line with statutory protocol which is attached at Appendix 1 (Reference EA001594). This has not identified any issues of concern in relation to the Equality Act 2010.

5. Relevant background/chronology of key events:

5.1 The UK Government, under article 7 of the ERDF EU Regulations is required to delegate certain responsibilities to Urban Authorities. To meet this requirement the UK Government has asked the seven core cities to submit Sustainable Urban Development (SUD) strategies. This confers Intermediate Body (IB) status to BCC which is the necessary form of delegation that satisfies the EU rules for devolution. For BCC this will be attributed to a ring fenced budget of at least £10.13m (potentially extendable up to £23.65m). If this arrangement is not accepted by the core cities as the key urban development regions then the UK will be in breach of EU regulations on devolution and the national programme of using EU funds would be put at risk.

5.2 City Finance and Legal Services have both been consulted during the evolution of the SUD proposal. This work has examined the risks to BCC of accepting the IB status contained in the DCLG document Memorandum of Understanding and have concluded that the risks are minimal and acceptable, these are outlined in para 4.2.1. The risk to BCC is limited to the process of evaluating the strategic fit of the applications by carrying this out in compliance with an approved governance process.

5.3 SUD and the acceptance of IB status was one of the areas requested under devolution of powers under the West Midlands Combined Authority. The granting of IB powers and the management of the SUD funds can inform future arrangements and potential delegation of powers/budgets from any successor to EU funding post leaving the EU.

5.4 The SUD strategy focuses on HS2 which is a key game changing priority in the GBSLEP's plans and provides resource for the areas of Low Carbon and Environmental sustainability issues. The strategy will seek to add value to the mainstream HS2 work and will seek to deliver against the HS2 Environmental and Landscape Prospectus (ELP) which champions innovative low carbon technologies and environmental biodiversity schemes. The strategy has been developed in consultation with a wide range of local partners including all of those represented on the ESIF Committee including the GBSLEP. The project's geography is limited to Birmingham and Solihull. Applications for eligible delivery and/or research projects are expected to be received from local partners within the public, health, education and private sectors.

6. Evaluation of alternative option(s):
6.1 Do nothing – if BCC and/or other core cities do not accept the SUD and IB delegation, the UK would be in breach of Article 7 of ERDF EU Regulations and all EU funds in the UK programme would be at risk until or unless the UK Government could find an alternative method of devolving the SUD strategic decision making to the urban regions or negotiate devolution under a more acceptable agreement (depending upon the reason for non-acceptance of the current proposal). BCC could potentially therefore lose out on accessing the €255m allocated to GBSLEP. 6.2 Alternative organisation to be the Intermediate Body. This role can only be delegated to an Urban Authority and a core city. In accepting this role BCC will have a guiding role in ensuring that the funds can be accessed and used for local benefit in terms of jobs and the environment.
7. Reasons for Decision(s):
7.1 To accept and enable access to the funds as soon as possible. The funds align very well with the strategic priorities for the city and make valuable resource available from the time limited EU funding programme. The project will be of benefit by enhancing the arrival of HS2 to the city through low carbon and environmental measures that are not otherwise funded.

Signatures		**Date**
Angela Probert, Strategic Director of Change & Support Services	…….	……
Councillor Ian Ward, Deputy Leader of the Council	…….	……

List of Background Documents used to compile this Report:
Intermediate Body (IB) Memorandum of Understanding. SUD Strategy Birmingham September 2015
List of Appendices accompanying this Report (if any):
1. Equality Analysis 2. Draft Memorandum of Understanding between DCLG and BCC

Report Version	**1**	**Dated**	**13 January 2017**

PROTOCOL
PUBLIC SECTOR EQUALITY DUTY

1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.

2 If there is no adverse impact then that fact should be stated within the Report at section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in the standard section (4.4) of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.

3 A full assessment should be prepared where necessary and consultation should then take place.

4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.

5 Responses to the consultation should be analysed in order to identify:

(a) whether there is adverse impact upon persons within the protected categories

(b) what is the nature of this adverse impact

(c) whether the adverse impact can be avoided and at what cost – and if not –

(d) what mitigating actions can be taken and at what cost

6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.

7 Where there is adverse impact the final Report should contain:

- a summary of the adverse impact and any possible mitigating actions (in section 4.4 or an appendix if necessary)
- the full equality impact assessment (as an appendix)
- the equality duty – see page 9 (as an appendix).

Equality Act 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

1	The Council must, in the exercise of its functions, have due regard to the need to: (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
2	Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to: (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic; (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
3	The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
4	Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to: (a) tackle prejudice, and (b) promote understanding.
5	The relevant protected characteristics are: (a) Marriage & civil partnership (b) Age (c) Disability (d) Gender reassignment (e) Pregnancy and maternity (f) Race (g) Religion or belief (h) Sex (i) Sexual orientation

Equality Analysis

Birmingham City Council Analysis Report

EA Name	Reviewing The Sustainable Urban Development (SUD) Grant Bids Against Local Priorities
Directorate	Corporate Resources
Service Area	Euorpean And International Affairs
Type	New/Proposed Function
EA Summary	The Sustainable Urban Development (SUD) grant (part of the European Regional Development Fund (ERDF)) is available to run projects that will improve energy efficiency and provide environmental enhancements linked to projects that support the introduction of theHS2 rail line to the area. Intermediate Body Status has been granted to the Council by DCLG to select projects (that have already been appraised by DCLG) to assess how they align with Council priorities. This EA will assess the potential impacts of the Council's role in this process. The role of DCLG in this process is to put out a call for applications for the SUD grant, review and appraise the bids, get a view from Birmingham City Council and award the grant to successful bidders. The role of Birmingham City Council is to review the appraised bids from DCLG and advise and make recommendations about which bids are the best strategic fit against local priorities. It is not to assess the equality criteria. However, details regarding any equalities related controls within the wider process have been provided where appropriate, for information. It should be noted that these remain the responsibility of DCLG.
Reference Number	EA001594
Task Group Manager	sukki.dhaliwal@birmingham.gov.uk
Task Group Member	
Date Approved	2017-01-06 00:00:00 +0000
Senior Officer	lloyd.broad@birmingham.gov.uk
Quality Control Officer	cstqualitycontrolecg@birmingham.gov.uk

Introduction

The report records the information that has been submitted for this equality analysis in the following format.

Initial Assessment

This section identifies the purpose of the Policy and which types of individual it affects. It also identifies which equality strands are affected by either a positive or negative differential impact.

Relevant Protected Characteristics

For each of the identified relevant protected characteristics there are three sections which will have been completed.

- Impact
- Consultation
- Additional Work

If the assessment has raised any issues to be addressed there will also be an action planning section.

The following pages record the answers to the assessment questions with optional comments included by the assessor to clarify or explain any of the answers given or relevant issues.

1 Activity Type

The activity has been identified as a New/Proposed Function.

2 Initial Assessment

2.1 Purpose and Link to Strategic Themes

What is the purpose of this Function and expected outcomes?
The Sustainable Urban Development (SUD) grant (part of the European Regional Development Fund (ERDF)) is available to projects that will improve energy efficiency and provide environmental enhancements linked to projects that support the introduction of the HS2 rail line to the area. Intermediate Body Status has been granted to the Council by DCLG to review projects (that have already been appraised by DCLG) to assess how they align with Council priorities. It is expected that outcomes will include improved low carbon energy efficiency and enhanced environmental bio-diversity projects, that are aligned to Council priorities. The role of DCLG in this process is to put out a call for applications for the SUD grant, review and appraise the bids, get a view from Birmingham City Council and award the grant to successful bidders. The role of Birmingham City Council is to review the appraised bids from DCLG and advise and make recommendations about which bids are the best strategic fit against local priorities. It is not to assess the equality criteria. However, details regarding any equalities related controls within the wider process have been provided where appropriate, for information. It should be noted that these remain the responsibility of DCLG.

For each strategy, please decide whether it is going to be significantly aided by the Function.

Children A Great City To Grow Up In	No
Health - A Great City To Grow Old In	Yes
Housing - A Great City To Live In	No
Jobs And Skills - A Great City To Succeed In	No

2.2 Individuals affected by the policy

Will the policy have an impact on service users/stakeholders?	Yes
Will the policy have an impact on employees?	No
Will the policy have an impact on wider community?	Yes

2.3 Relevance Test

Protected Characteristics	Relevant	Full Assessment Required
Age	Not Relevant	No
Disability	Not Relevant	No
Gender	Not Relevant	No
Gender Reassignment	Not Relevant	No
Marriage Civil Partnership	Not Relevant	No
Pregnancy And Maternity	Not Relevant	No
Race	Not Relevant	No
Religion or Belief	Not Relevant	No
Sexual Orientation	Not Relevant	No

2.4 Analysis on Initial Assessment

1. Assessment conclusion
A full assessment is not required for the following reasons:
. assessing equality impact (above this assessment) is not within the scope of the roles and responsibilities of Birmingham City Council,
. risks to protected characteristics are likely to be low,
. the process incorporates a systematic way of assessing equality impact as part of the application process,
. equality impact will be routinely considered and assessed on a case by case basis by the bidders,
. equality impact will be routinely reviewed by DCLG.

The role of DCLG in this process is to put out a call for applications for the SUD grant, review and appraise the bids, get a view from Birmingham City Council and award the grant to successful bidders. The role of Birmingham City Council is to review the appraised bids from DCLG and advise and make recommendations about which bids are the best strategic fit against local priorities. It is not to assess the equality criteria.

2. Background to Wider Process
The programme of grant will be run on a competitive basis. The process to be followed is the same as that currently used for EU projects , which is that the national Managing Authorities (DCLG) call for applications against core EU eligibility, the call is published on a national website: https://www.gov.uk/european-structural-investment-funds. Organisations then apply against these published calls. DCLG review the bids and present an appraisal for BCC to review for strategic fit against local priorities. The application form can be found here: https://www.gov.uk/government/publications/european-structural-and-investment-funds-outline-application.

3. Equalities Questions and Assessing Impact in the Wider Process
Section 11.2 of the form asks about equalities issues specifically and there are other sections where this is addressed, such as the applicant details and their policies to ensure both they and their project take full account of equalities issues. E.g.:

"11.2 Equality and Diversity
- What will the project do to promote equality between men and women?
- What will the project do to promote equality and prevent discrimination based on racial or ethnic origin, religion or belief, disability, age or sexual orientation?
- What will be done to ensure people with disabilities can access the project?"

The applicants who apply will be the ones who will have to declare how their proposals have any equality impact, they will then be assessed as part of the application process by DCLG.

In general the grant is targeted at low carbon energy and transportation impact/improvements and environmental enhancements, as such it will not have many direct impacts in equality terms other than a neutral impact. The community in general will benefit from advances in low carbon impacts and improved environment. Some stakeholders will be affected but only to the level of being able to access EU grants to further their aims around the introduction of HS2. As previously mentioned any additional impacts and mitigations should be considered and captured during the application process and managed by DCLG. The process is an open and transparent one, open to all applicants and actively guards against discrimination.

3 Full Assessment

The assessment questions below are completed for all characteristics identified for full assessment in the initial assessment phase.

3 Concluding Statement on Full Assessment

A full assessment is not required. Please see section 2.4 for more details.

4 Review Date

31/07/17

5 Action Plan

There are no relevant issues, so no action plans are currently required.

Department for Communities and Local Government

European Union
European Regional Development Fund

Memorandum of Understanding between [x] and the Department for Communities and Local Government concerning the delegation of tasks in respect of the European Regional Development Fund

1. This Memorandum is between [x'] and the Department for Communities and Local Government 'DCLG'.

2. For the purposes of this Memorandum, DCLG is acting as the Managing Authority (MA) for England in respect of the European Regional Development Fund ('ERDF') 2014-2020 Programme. [*Date of designation to be footnoted]*

3. Under this Memorandum, DCLG delegates certain tasks under the ERDF 2014-2020 Programme, which are to be carried out on behalf of DCLG by the [X].

4. This Memorandum sets out the ERDF tasks that DCLG will delegate to [X] as an Intermediate Body for the purposes of Article 123(6) of Regulation (EU) No 1303/2013, and constitutes the formal written record of that arrangement as required under Article 123(6).

ERDF Local Enterprise Partnership area in respect of which [X] will perform delegated tasks

5. This delegation relates to the tasks listed below that are financed by the England ERDF 2014-20 Programme's notional allocation in respect of the [X] Local Enterprise Partnership ("LEP") Area.[1]

Working arrangements

6. DCLG's nominated officer for the [X] is the Head of the local Growth Delivery Team who will act on behalf of DCLG in respect of all its interactions with DCLG about its delegated tasks. [X] will ensure that all contact with DCLG in respect of their delegated tasks are addressed to him/her or a DCLG nominated deputy.

7. [X] will use DCLG's standard business process, IT system for ERDF for carrying out its delegated tasks listed below.

8. A side letter will set out the arrangements that will apply for the commencement of delegated tasks which have previously been in part undertaken by DCLG.

[1] *Insert LEP area definition*

Tasks delegated to [X]

9. **Overview:** [X] will contribute to local ESI Funds sub-committee papers as follows: local strategic fit content for call design; assessment and appraisal of local strategic fit content for, respectively, outline and full applications for ERDF. This content will be based on the local ESI Funds Strategy. [X] will work with DCLG to support the local ESI Funds sub-committee in this regard.

10. **Call design:** [X] will decide on the local strategic fit content for project calls based on the relevant ESI Funds Strategy and will seek the advice of the local ESI Funds sub-committee to inform its decision. Its decision will be in accordance with the 2014-20 ERDF England Operational Programme[2] and Operational Programme specific objectives, outputs and results of the relevant priority axis/axes.

11. **Call timings: The Head of the local Growth Delivery Team** will consult with [x] about the timing of DCLG issue of calls. [X's] input will assist calls to be timed in order to respond effectively to local ESI Fund Strategy priorities in relation to the ERDF Operational Programme as well as local opportunities for complementary funding and programmes, in particular those opportunities arising through the local Devolution Deal. *[Insert reference to text of local devolution deal].*

12. **Outline Application stage:** [X] will assess each Outline Application for local strategic fit based on the relevant ESI Funds Strategy and will decide which to approve in relation to the relevant Project Selection Criteria. It will seek the advice of the local ESI Funds sub-committee to inform its decision

13. **Full Application Stage: [X]** will appraise each Full Application for local strategic fit based on the relevant ESI Funds Strategy and will decide which to approve in relation to the relevant Project Selection Criteria. It will seek the advice of the local ESI Funds sub-committee to inform its decision.

14. **Local Strategic Fit** in paragraphs [9, 10, 11 and 13] above is as defined in the Selection Criteria[3] for the ERDF 2014-2020 programme, which provides:

    a. The proposed operation contributes to the needs/opportunities identified in the Call for Proposals to which it is responding.

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[2] The European Regional Development Fund England Operational Programme; ISBN: 978-1-4098-4630-7. It can be found at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/453888/England_ERDF_operational_programme_FINAL_140815.pdf

[3] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/430594/ERDF_and_ESF_Selection_Criteria_200315_Published.pdf

b. The proposed operation is aligned to the local growth needs set out in the local ESI Funds Strategy and contributes to the specific objectives, outputs and results of the relevant priority axes set out in the Operational Programme.

15. In addition, [X] will provide advice to the Managing Authorities on the following Value for Money and Deliverability selection criteria:

Value for money

a. The operation must represent value for money. In assessing value for money, the Managing Authority will take account of:

i) Efficiency: the rate/unit costs at which the operation converts inputs to the Fund outputs.

ii) Economy: the extent to which the operation will ensure that inputs to the operation are at the minimum costs commensurate with the required quality.

iii) Effectiveness: the extent to which the operation contributes to programme output targets, results and/or significant strategic impact at the local level.

Deliverability

a. The operation is deliverable within the requirements of the fund specific Operational Programme taking account risks, constraints and dependencies

b. Evidence has shown that this type of operation is effective or where the operation is new or innovative, the risks have been considered and appropriate mitigations put in place

Performance monitoring

16. The Head of the Local Growth Delivery Team will keep [X] informed about the performance of 2014-20 ERDF locally in relation to the [X] ESI Funds Strategy and specific projects, particularly those which are a high priority, high risk or which are significantly under-performing. Regular review meetings will be scheduled between the Managing Authority and Intermediate Body to discuss this information and agree actions as appropriate.

Conflict of interest where [X] is an applicant or potential applicant for ERDF

17. [X's]'s management systems will ensure a separation of functions in order to avoid the possibility of any conflict of interest arising between the unit or Department [within X] which performs its delegated tasks as an IB and any unit or Department or arm's-length body [of X] involved with beneficiary responsibilities, as a recipient or potential recipient of ERDF.

18. A description of the arrangements that [X] will put in place is annexed to this Memorandum.

Financial liability of X

19. The Intermediate Body (XXXX) shall be liable to the Managing Authority (DCLG) for the value of any financial corrections imposed as a result of an "irregularity" or "systematic irregularity" arising from any act or omission of the Intermediate Body which relates to a task delegated to the Intermediate Body under this Memorandum. For the purposes of this paragraph, "irregularity" and "systematic irregularity" have the meaning given in Article 2(26) and (38) of the Common Provision Regulations (Regulation 1303/2013). For the avoidance of doubt any financial correction will only be one that is directly attributable to the identified "irregularity" or "systematic irregularity.

20. In paragraph 19, "act or omission" does not include the provision of advice as set out in paragraph 15.

21. The value of any financial correction shall be no more than the amount of defrayed expenditure directly attributable to the identified "irregularity" or "systematic irregularity". The total cumulative financial liability of the Intermediate Body shall not exceed the total amount of defrayed expenditure relating to its notional allocation Programme and up to a maximum of €xxxxx.

Resolution of disputes

22. [X] and DCLG shall use reasonable endeavours to negotiate in good faith and settle any dispute between them over matters set out in this Memorandum.

23. If the dispute is not settled through discussion between the Head of the local Growth Delivery Team and a representative of [X], either X or DCLG may refer the dispute in writing to a [X] or [X] ("Senior Personnel") of each of the parties for resolution.

24. If the dispute is not resolved, the final decision shall be taken by [the Director, European Programmes and Local Growth Delivery, DCLG], given DCLG's responsibility for the management of the 2014 to 2020 Programme and its accountability to the EU Commission for the discharge of such responsibility.

25. In order for the GIAA to discharge its responsibilities under EU law, in respect of conducting effective audits, the GIAA requires access to all relevant records, assets, personnel and premises held by X, which relate to any of the issues set out in this Memorandum.

26. This Memorandum does not in any way limit any parties' right to commence proceedings in any court of competent jurisdiction in England and Wales.

Complaints

27. In relation to any complaint relating to a function of the Intermediate Body, DCLG shall ensure that the Intermediate Body has the opportunity to see all relevant material and make representations before any decision is made.

Disclosure and Freedom of Information

28. Neither DCLG nor X shall make any press announcements or otherwise publicise the existence of this Memorandum, without the prior agreement of the other party such agreement not to be unreasonably withheld or delayed.

29. For the avoidance of doubt, nothing in the paragraph above shall prevent either party from disclosing any information relating to this Memorandum after consultation with the other party in the following circumstances:

    a. for the purpose of any examination of this Memorandum by the National Audit Office pursuant to the National Audit Act 1983 or otherwise; or

    b. for parliamentary, governmental, statutory or judicial purposes; or

    c. in relation to any other legal obligation on the party, including the obligations imposed by the Freedom of Information Act 2000 (FOIA).

30. If either party receives a request for information under the FOIA in respect of this Memorandum, that party shall consult the other in relation to the proposed response.

Duration

31. This Memorandum will come into effect upon signature by both parties and will remain in force:

    a) for the duration of the 2014-2020 ERDF Programme in England, or

    b) until it is terminated by either party.

32. Either party may terminate this Memorandum at any time and for any reason on the provision of six months written notice to the other party.

33. The tasks delegated, compliance with EU and domestic requirements set out in law and DCLG Guidance, and the associated working arrangements specified under this Memorandum shall be subject to annual review by DCLG.

Signature block

BIRMINGHAM CITY COUNCIL

PUBLIC

Report to:	**CABINET**	
Report of: **Date of Decision:**	**Director of Property** **24th January 2017**	
SUBJECT:	**CABINET UPDATE - DISPOSAL OF LAND AT REDDITCH ROAD, KINGS NORTON, BIRMINGHAM**	
Key Decision: Yes	**Relevant Forward Plan Ref: 002755/2016**	
If not in the Forward Plan: **(please "X" box)**	**Chief Executive approved** ☐ **O&S Chairman approved** ☐	
Relevant Cabinet Member(s):	**The Leader of the Council – Cllr John Clancy**	
Relevant O&S Chairman:	**Cllr Mohammed Aikhlaq - Corporate Resources Overview and Scrutiny Committee**	
Wards affected:	**Kings Norton**	

1. Purpose of report:

1.1 To update Members on the progress of the disposal of the property as shown edged black on the attached plan at Appendix 1.

1.2 Commercially confidential details of the transaction are contained within the Private Report.

2. Decision(s) recommended:

That the Cabinet:-

2.1 It is recommended that Cabinet notes this report.

Lead Contact Officer(s):	Ashley Skinner - Birmingham Property Services
Telephone No: **E-mail address:**	0121 464 2117 ashley.skinner@birmingham.gov.uk

3. Consultation

3.1 Internal

3.1.1 Ward members (Kings Norton) have been consulted with no adverse comments received. Senior Officers from Birmingham Property Services, Housing Development, Planning and Regeneration, Legal and Democratic Services and City Finance have been consulted in the preparation of this report.

3.2 External

3.2.1 Extensive consultation has been undertaken within Kings Norton in relation to the Regeneration Programme and both outline and detailed planning requirements and positive feedback has been received.

4. Compliance Issues:

4.1.1 The proposal contributes towards the strategic outcomes outlined in the 'Council Business Plan and Budget 2016+' for a Stronger Economy, Thriving Local Communities and will help deliver a balanced budget through the delivery of a capital receipt. It also contributes toward the Kings Norton Three Estates Regeneration programme, which will create new homes and establish a new Local Neighbourhood.

4.1.2 **Fairness** - to tackle inequality and deprivation, promote social cohesion across all communities in Birmingham ensuring dignity, in the quality of making judgments that are free from discrimination. This will be achieved through the provision of community group hosting space such as training rooms, foyers, cafes and car parking for activities such as exercise groups, counselling sessions, MP surgeries, charity meetings and awareness events free of charge by the retail delivery partner.

4.1.2 **Prosperity** - to lay the foundations for a prosperous City, built on an inclusive economy. This will be achieved through charity funding programmes, hosting community groups and awareness campaigns in addition to the creation of up to 150 full / part time jobs in the immediate locality. This will be in addition to the supply chain job opportunities and construction related jobs which help to deliver the retail store and Local Neighbourhood.

4.1.3 **Democracy** – to involve local people and communities in the future of their local area to meet local community needs and to encourage localised targeting of training, education and employment initiatives as part of the commitment by the retail delivery partner.

4.2 Financial Implications

4.2.1 Any Capital Receipt from the disposal of Housing land is required to be either used for Housing Improvement Purposes or to support wider Council priorities with an equivalent value of debt transferred from the Housing Revenue Account to the General Fund.

4.2.2 A new highway access and traffic light junction will be constructed from the Redditch Road by the Council's appointed contractor Kier Living Limited, as part of the wider regeneration scheme. The funding for this element of the regeneration scheme was detailed in the Full Business Case approved by Cabinet on 27th July 2015.

4.2.3 The Property Asset Link references for the site are 03163 and 03164. This is a unique asset reference reflected on the Council's mapping and property systems.

4.3 Legal Implications

4.3.1 The Council has a duty to efficiently manage its assets and has the power to hold and dispose of land under Sections 120 and 123 of the Local Government Act 1972 and Section 32 of the Housing Act 1985, General Consent A.

4.4 Public Sector Equality Duty (see separate guidance note)

4.4.1 An Equality Assessment (EA001538 of the 16th November 2016 is attached at Annex 2), was undertaken for this proposal, which confirms there is no adverse impact and that a full EA is not required for the purposes of this report.

5. Relevant background/chronology of key events:

5.1 The Property is situated adjacent the A441 Redditch Road, Kings Norton, Birmingham and extends to 2.61 hectares (6.45 acres) and is identified as being suitable for the development of a retail store as part of the Scheme described in 5.2 herein.

5.2 The Kings Norton New Futures Programme is a large scale regeneration project which includes the three Estates of Pool Farm, Primrose and Hawkesley. The redevelopment programme includes the phased demolition of 876 properties in Pool Farm and Primrose and the construction of over 1,000 new homes in a mixture of types with 50% affordable and 50% for sale, providing a greater tenure choice, a new supermarket anchored as part of the neighbourhood along with a new neighbourhood park.

5.3 The Birmingham Municipal Housing Trust (BMHT) scheme has seen significant progress in line with the outline planning permission for 295 new homes and a new neighbourhood park through various phases of demolition and new construction activity which commenced on site in September 2016.

5.4 The Property was offered for sale by way of informal tender and Cabinet authority to proceed with the preferred bidder was obtained at the Cabinet meeting of the 22nd September 2015. Further negotiation has taken place with the retail delivery partner in respects to the specific detail of the sale documentation relating to the infrastructure interface and proposed store size and design which has resulted in protracted contractual delays and amendments.

5.5 Details of the updated and revised commercial disposal terms recommended for approval are included in the private report.

6. Evaluation of alternative option(s):

6.1 The Property comprises a key gateway into the Three Estates Local Neighbourhood, the revised sale terms will provide an opportunity to expedite the delivery of the retail store as part of the Scheme and to enhance the capital receipt realised. Not to proceed would jeopardise the delivery of the retail element, related jobs and realisation of a capital receipt.

6.2 The revised commercial disposal terms will contribute towards the successful delivery of the scheme and provide additional community facilities. Not to proceed on the revised terms will limit the community benefits to be realised.

7. Reasons for Decision(s):		
7.1 To note the revised terms and progress update of the disposal of the Property.		
Signatures		**Date**
Cllr John Clancy, Leader of the Council	……	……
Peter Jones – Director of Property	……	……

List of Background Documents used to compile this Report:
1. Public Report to Cabinet of 22nd September 2015. 2. Public Report to Cabinet of 24th September 2007. 3. Officers Files Save for confidential information

List of Appendices accompanying this Report (if any):
1. Appendix 1 – site plan 2. Appendix 2 – equality analysis EA001538

Report Version	**4**	**Dated**	**11th January 2017**

For Identification Purposes Only.

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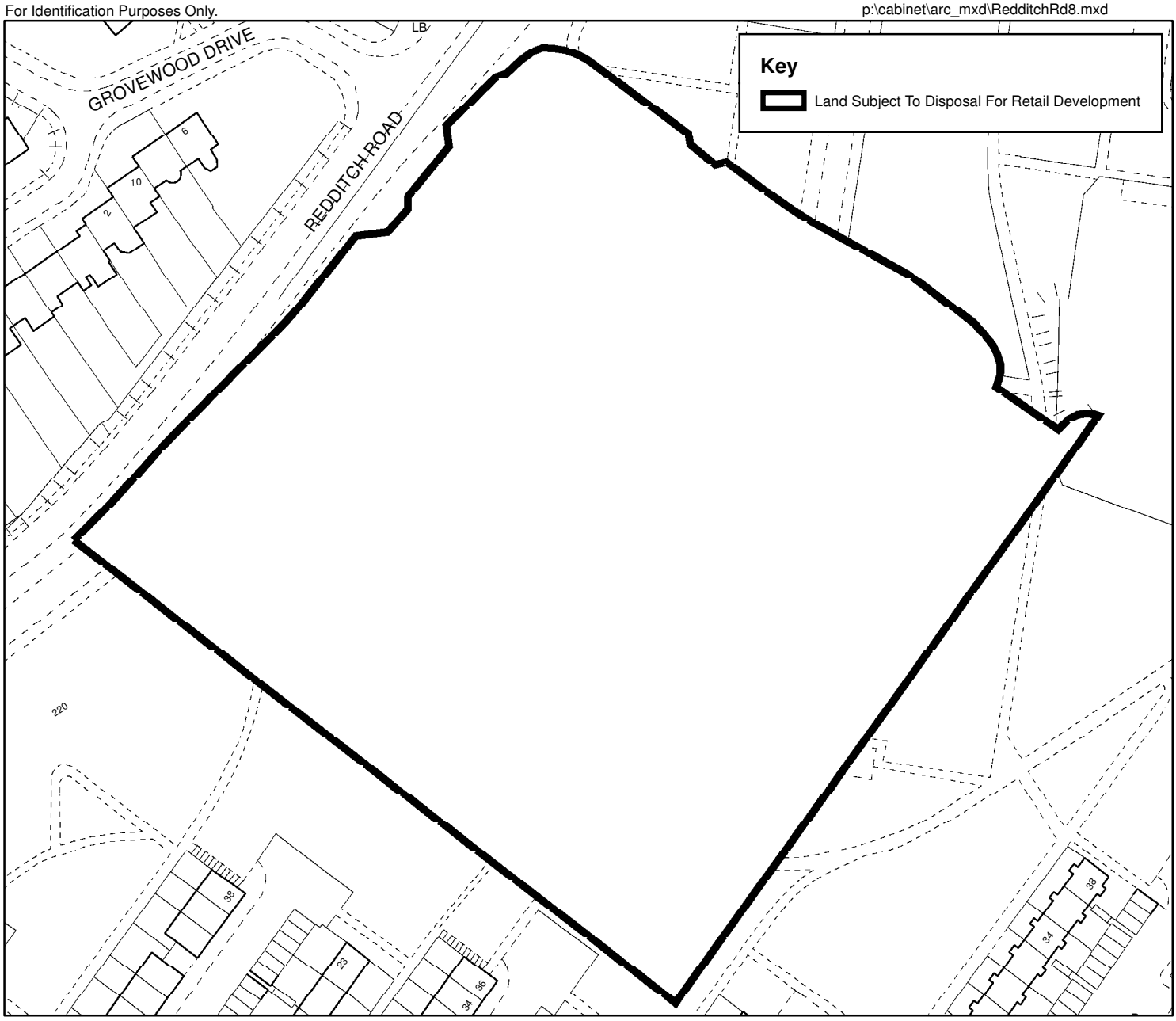

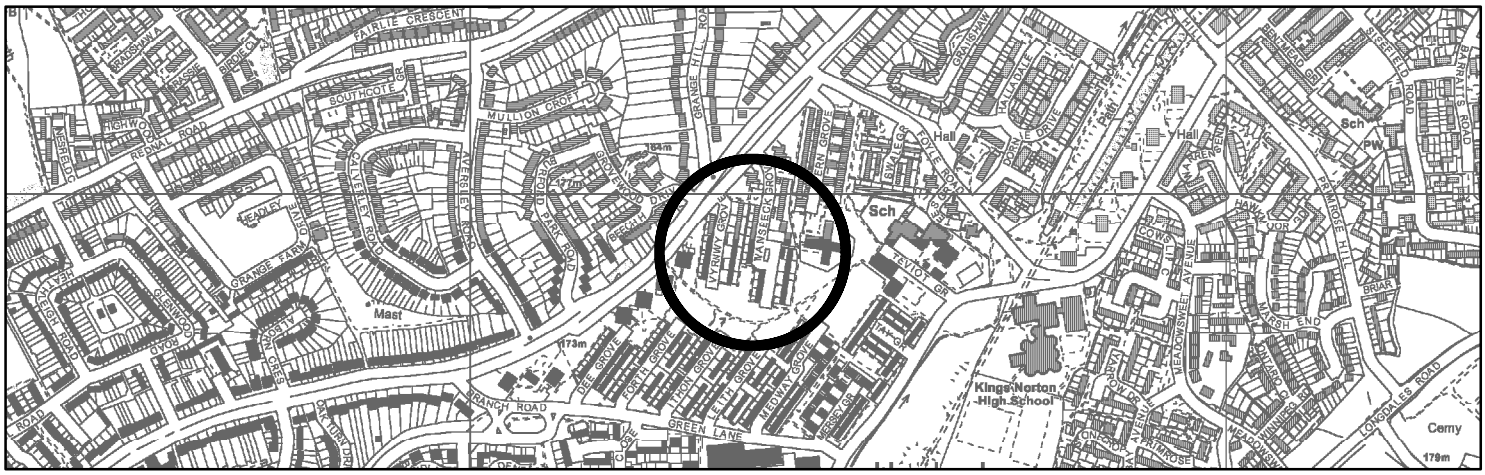

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Birmingham City Council

Peter Jones BSc, FRICS
Director of Property
Birmingham Property Services
PO Box 16255
Birmingham B2 2WT

Site at
Redditch Road
Kings Norton

N

Scale (Main Map)	Drawn	Date
1:1,250	Jon Wilson	09/01/2017
O.S. Sheet: SP0686NW		

Equality Analysis

Birmingham City Council Analysis Report

EA Name	Disposal Of Land At Redditch Road, Kings Norton, Birmingham
Directorate	Corporate Resources
Service Area	Birmingham Property Services - Major Projects
Type	New/Proposed Function
EA Summary	To note the proposals for the sale of land at Redditch Road, Kings Norton, Birmingham. As shown edged black on the plan attached at Appendix 1 (the site).
Reference Number	EA001538
Task Group Manager	felicia.saunders@birmingham.gov.uk
Task Group Member	
Date Approved	2016-11-16 00:00:00 +0000
Senior Officer	eden.ottley@birmingham.gov.uk
Quality Control Officer	eden.ottley@birmingham.gov.uk

Introduction

The report records the information that has been submitted for this equality analysis in the following format.

Initial Assessment

This section identifies the purpose of the Policy and which types of individual it affects. It also identifies which equality strands are affected by either a positive or negative differential impact.

Relevant Protected Characteristics

For each of the identified relevant protected characteristics there are three sections which will have been completed.

- Impact
- Consultation
- Additional Work

If the assessment has raised any issues to be addressed there will also be an action planning section.

The following pages record the answers to the assessment questions with optional comments included by the assessor to clarify or explain any of the answers given or relevant issues.

1 Activity Type

The activity has been identified as a New/Proposed Function.

2 Initial Assessment

2.1 Purpose and Link to Strategic Themes

What is the purpose of this Function and expected outcomes?
The expected outcome is to approve proposals for the freehold disposal of land at Redditch Road Kings Norton for retail use to help facilitate the development of the wider Kings Norton Three Estates regeneration programme. As with other regeneration schemes the Council will work with its partners and private sector developers to ensure Birmingham.s diverse Community has access to the opportunities and jobs that will be created.

For each strategy, please decide whether it is going to be significantly aided by the Function.

A Strong Economy	Yes
Safety And Opportunity For All Children	No
A Great Future For Young People	No
Thriving Local Communities	Yes
A Healthy, Happy City	Yes
A Modern Council	No

2.2 Individuals affected by the policy

Will the policy have an impact on service users/stakeholders?	Yes
Will the policy have an impact on employees?	No
Will the policy have an impact on wider community?	Yes

2.3 Relevance Test

Protected Characteristics	Relevant	Full Assessment Required
Age	Not Relevant	No
Disability	Not Relevant	No
Gender	Not Relevant	No
Gender Reassignment	Not Relevant	No
Marriage Civil Partnership	Not Relevant	No
Pregnancy And Maternity	Not Relevant	No
Race	Not Relevant	No
Religion or Belief	Not Relevant	No
Sexual Orientation	Not Relevant	No

2.4 Analysis on Initial Assessment

The disposal for retail use will enable the successful delivery of the Kings Norton New Futures Regeneration Programme by providing a much needed high quality local neighbourhood retail offer.

The proposal contributes towards the strategic outcomes outlined in the .Council Business Plan and Budget 2016+. and specifically contributes toward the Kings Norton Three Estates Regeneration programme.

Significant consultation has already occurred within the Kings Norton Three Estates, local community, BCC officers, residents and other stakeholders. Outline planning permission for 295 new homes, 4 shops and a new Neighbourhood Park was granted on 5th March 2015, plus the construction of new homes and a new spine road and junction, to regenerate the area.

Due to the ongoing consultation it has been established all relevant issues of equality have been addressed.

3 Full Assessment

The assessment questions below are completed for all characteristics identified for full assessment in the initial assessment phase.

3 Concluding Statement on Full Assessment

Senior officers from Planning and Regeneration, Birmingham Property Services, Legal and Democratic Services and City Finance have been consulted and involved in the preparation of this report and approve this report going forward. The sale will enhance the development of strong neighbourhoods and help to meet population and economic growth and contribute towards the strategic outcomes outlined in the Council Business Plan and Budget 2016+.

Significant external consultation has been undertaken historically within the Kings Norton Three Estates, with both the local Community and local stakeholders. As part of the outline planning application submission process and during more recent consultation exercises undertaken during October 2016. Consultation is supportive of new retail development.

There has been ongoing consultation with members of their respective constituency, who have as representation been consulted on issues of relevance.

Due to the detailed consultation on the comprehensive redevelopment of the area overwhelming agreement and support for the proposed new facilities, it is concluded there have been no issues raised which impact the wider community negatively, therefore a full equality assessment is not required at this stage.

4 Review Date

15/05/17

5 Action Plan

There are no relevant issues, so no action plans are currently required.

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	**CABINET**	
Report of: **Date of Decision:**	**STRATEGIC DIRECTOR FOR ECONOMY** **24th January 2017**	
SUBJECT:	**BUS LANE ENFORCEMENT (TRANCHE 1) - FULL BUSINESS CASE**	
Key Decision: Yes	**Relevant Forward Plan Ref: 002675/2017**	
If not in the Forward Plan: **(please "X" box)**	**Chief Executive approved** ☐ **O&S Chairman approved** ☐	
Relevant Cabinet Member(s) or Relevant Executive Member for Local Services:	**Councillor Stewart Stacey - Transport and Roads** **Councillor Majid Mahmood - Value for Money and Efficiency**	
Relevant O&S Chairman:	**Councillor Zafar Iqbal – Economy, Skills and Transport** **Councillor Mohammed Aikhlaq - Chair of Corporate Resources and Governance Scrutiny Committee**	
Wards affected:	**Aston, Bordesley Green, Nechells, South Yardley, Stechford and Yardley North, Stockland Green, Tyburn**	

1. Purpose of report:

1.1 To approve the Full Business Case (FBC) for the Bus Lane Enforcement (Tranche 1) attached as Appendix A, to enforce the bus lanes on Lichfield Road, Tyburn Road and Bordesley Green East, through the use of enforcement cameras.

1.2 To support the previous investment in bus priority and to assist the bus operators to improve or retain the current level of reliability of their services and improve journey times for passengers. This report identifies the measures to be implemented, what resources are required and how the scheme would be funded.

2. Decision(s) recommended:

That the Cabinet:-

2.1 Approves the Full Business Case (FBC) for Bus Lane Enforcement Tranche 1 as outlined in Appendix A, at a total capital cost of £459,335 (including development, detailed design and implementation fees), with estimated ongoing revenue costs of £3.339m, over the period of the project, funded by income generated from Penalty Charge Notices (PCNs).

2.2 Approves City Council prudential borrowing of £355,670 for the first tranche of Bus Lane Enforcement, as outlined in the Full Business Case (Appendix A).

2.3 Authorises the Assistant Director of Transportation and Connectivity to:

- Place orders with third party suppliers up to a value of £248,670 (including fees and contingency) for the procurement of the Enforcement Cameras and associated equipment, via Service Birmingham under the existing Joint Venture Arrangement;
- Place orders with third party suppliers up to a value of £443,500 for the provision of ongoing support in respect of system maintenance, camera relocation, technical support, licences and storage over the 5 year life of the project period, via Service Birmingham under the existing Joint Venture Arrangement

2.4 Approves expenditure of £82,000 to cover City Council Project Management fees, contingency and undertaking the information activity to implement the proposal as described in Appendix A and to cover additional development fees incurred in completing the report.

2.5 Approves the ring fencing of the sums generated from the infringement of the bus lanes identified within this report to fund £3.339m of project and operational costs of the scheme over the period of the project, as detailed within Appendix A, Section 2 and in line with the strategy described in the "Updated Transportation and Highways Capital Funding Strategy 2015/16 to 2020/21 Programme Definition Report" approved by Cabinet on the 16 February 2016.

2.6 Approves any sums generated that are not required to fund expenditure defined in paragraph 2.5 above, being made available to support Local Growth Fund funded schemes in accordance with Regulation 36 of the Bus Lanes Contraventions (Penalty Charges, Adjudication and Enforcement) (England) Regulations 2005. This is in line with the strategy described in the Updated Transportation and Highways Capital Funding Strategy 2015/16 to 2020/21 Programme Definition Report, approved by Cabinet on the 16 February 2016.

2.7 Authorises the Acting City Solicitor to negotiate, execute, seal and complete all necessary documents to give effect to the above recommendations.

Lead Contact Officer(s):	Varinder Raulia – Head of Infrastructure Projects
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3. Consultation

3.1 Internal

3.1.1 Officers within Highways and Transportation Services including the Director, Highways and Infrastructure, have been consulted and support the proposal.

3.1.2 Officers from City Finance, Procurement and Legal and Democratic Services have been involved with the preparation of this report.

3.2 External

3.2.1 All the bus operators have been informed of the proposals and support the introduction of bus lane enforcement. The hope is that the proposed scheme will have a similar impact to previous lane enforcements to help them to improve reliability by reducing one of the causes of delay.

3.2.2 Transport for West Midlands (TfWM) has been kept informed of the project along with the bus operators. A letter of support can be found in Appendix G on behalf of the WMCA

3.3.3 The Bus Operators and TfWM have all helped to identify the key location where they feel enforcement is required. Again they are in support of the proposal to reduce the level of infringements in the bus lanes to reduce delays to buses and therefore improve reliability.

3.2.4 National Express support the roll-out of bus lane enforcement as they feel that the variability in service delivery in the city centre is now largely a result of delays and problems away from the city centre. Enforcement on the routes away from the city centre will maximise the benefit of these bus lanes and deliver real benefits to the city's residents and bus passengers. The journey time savings achieved will allow reallocation of resources to invest in service improvements rather than simply utilise more resources in ever slower journey times. The impact on the ground will be real and significant for bus passengers of all companies and encourage modal shift from private to public transport. There is an opportunity to create a virtuous circle of service improvements, passenger growth and further service improvements. This in turn will help deliver Birmingham's vision for a connected city.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

4.1.1 The proposals will support the City Council's policy objectives outlined in the Council Business Plan and Budget 2016+, the Leader's Policy Statement 2016, and 'Birmingham 2026 – Our Vision for the Future' in particular for *'Prosperity'* and *'Fairness'*. The measures support the recommendations of the Transport, Connectivity & Sustainability Overview and Scrutiny Committee (TCS O&S) report, 'Changing Gear, Transforming Urban Movement Through Walking & Cycling in Birmingham'. They will also support the aspirations of the emerging Birmingham Development Plan and Birmingham Connected.

4.1.2 Birmingham Business Charter for Social Responsibility.

The value of the each of the two contracts for the purchase of the CCTV cameras and the works for the supporting measures is below the threshold for the Charter. However, the recommended suppliers for both areas are certified signatories to the Charter.

4.2 Financial Implications

4.2.1 The estimated capital expenditure required to deliver camera enforcement of bus lanes for the first tranche of corridors is £459.4k (including development, fees and contingency). Details of the breakdown of this cost can be found in the financial tables in the Full Business Case (Appendix A). These capital costs are to be funded through £103.7k Integrated Transportation Block funding and £355.7k prudential borrowing. Prudential borrowing will be repayable over the 5 year life of the project and funded from revenue generated from issue of Penalty Charge Notices (PCNs) resulting from infringements, as detailed in 4.2.2 below.

4.2.3 In addition to the Capital Cost of the scheme the scheme will also require a source of revenue to cover the costs of the following :

- prudential borrowing costs of £383k (including interest), repayable over five years.
- on-going running costs for the cameras both maintenance servicing and operation and licences of £261k over five years.
- processing and administration of the PCNs of £2.34m over five years
- twice yearly relocation of the cameras of £182.5k over 5 years
- replacing of the cameras and associated equipment in future years at a cost £125k over five years.
- cost of decommissioning the cameras at a one-off cost of £12.5k
- an annual information activity to enable updated information for motorists supported by monitoring activities to measure any changes in compliance at a cost of £20k over five years.
- additional maintenance cost for the additional signs and lines to support the introduction of the enforcement cameras of £0.3k per year and energy costs of £0.4k per year.

4.2.4 It is expected that these costs will be covered from the sums generated by the PCNs issued as part of the enforcement regime. This is in line with the strategy for utilising the sums generated from bus lane enforcement as outlined in the Cabinet Report, Updated Transportation and Highways Capital Funding Strategy 2015/16 to 2020/21 Programme Definition Report approved on 16 February 2016. Further detailed information regarding the financial implications of this scheme is contained in the FBC which is attached as Appendix A to this report. To ensure that the outputs from the enforcement regime matches the level of processing administration costs required, the number of PCNs will be closely monitored closely and resources adjusted accordingly..

4.2.5 In the unlikely event that the level of infringement falls to a level of compliance, whereby insufficient PCN revenue is generated the Prudential Borrowing will need to be funded through the Transportation and Highways Capital programme in future years.

4.3 Legal Implications

4.3.1 The City Council carries out transportation and infrastructure related works under the relevant primary legislation, including the Town and Country Planning Act 1990, Traffic Management Act 2004, Transport Act 2000, Local Government (Miscellaneous Provisions) Act 1976, Road Traffic Regulation Act 1984 and other related regulations, instructions, directives and general guidance.

4.3.2 Enforcement of the bus lane is undertaken under the Bus Lanes Contraventions (Penalty Charges, Adjudication and Enforcement) (England) Regulations 2005.

4.3.3 The locations covered by this report are within areas of Highway Maintainable at Public Expense and Planning or other Consents are not required. Traffic Regulation Orders and Notices will be advertised where required.

4.4 Public Sector Equality Duty (see separate guidance note)

4.4.1 The Equality Analysis (ID EA000416) concluded that there is no detriment to any protected group and a Full Equality Analysis is not required. The Equality Analysis is included in Appendix B.

4.5 Procurement

4.5.1 As part of the Service Birmingham partnership and joint venture arrangements, the Council has appointed Service Birmingham to be its exclusive provider of ICT. If the Council has a requirement for a new element of ICT, in all instances Service Birmingham must be provided the opportunity to cost the work. In addition, if the new ICT service requires connection to the Council's ICT infrastructure, Service Birmingham is responsible for providing the work to undertake such activities and apply the appropriate costs for doing so.

It should be noted that this is not a stand-alone system but requires integration with other, existing ICT applications managed by SB and therefore also part of the exclusivity arrangements in the existing contract.

The ICT requirements relating to the BLE reports are in line with ICT services already provided by Service Birmingham, so as such the Council are contractually obliged to procure via Service Birmingham. Further detail can be found in the Procurement Strategy in Appendix A

4.5.2 The works for the supporting measures will be procured by a competition exercise using the City Council's Highways and Infrastructure Works Framework Agreement 2014-18, which was approved by Cabinet on 21 August 2014. The procurement process will follow the protocols of the framework agreement and orders will be placed under Chief Officer delegation.

5. Relevant background/chronology of key events:

5.1 The Birmingham Connected transport strategy sets out the Council's vision to create a step change in public transport and support the more efficient movement of people to, from and around the city. The city's resident population is set to grow by around 150,000 over the next 15 years and this will be accompanied by an increase of some 50,000 jobs - creating extra demands and pressure on the city's already congested transport network. Within this context the city also needs to address issues of road safety, carbon emissions and air quality. Bus Lanes provide priority and reliability for existing bus services, offering an attractive alternative to private car trips for many journeys.

5.2 The City Council together with its partners Transport for the West Midlands (TfWM) and the bus operators have made major investments in public transport infrastructure over the past few years with the aim of improving the whole journey experience for the bus passenger. This investment has led to improvements to journey times and reliability

principally through the introduction of bus lanes across the City. As part of the Bus Alliance programme, the City Council and TfWM will continue to deliver measures which support bus services and provide bus priority to help meet wider policy objectives. The enforcement of bus lanes is a key area for action.

5.3 The journey time and reliability continue to be the top two measures of satisfaction for users of bus services, with the third being value for money. The figures from the 2015Transport Focus passenger satisfaction survey for the West Midlands shows that the satisfaction with the level of punctuality has improved since 2013 and has stayed at 76% for the last two years. It is felt that some of this is due to bus operators providing additional resources such as extra vehicles to maintain punctuality. These additional resources only maintain the status quo; not improvements to the service. In contrast Satisfaction with On-Bus Journey time has gone down by 5% since 2013 and it is believed that this is due to the increase in journey time due to congestion including driving in the bus lanes.

5.4 Bus Lane Enforcement (BLE) in Birmingham has previously relied on powers contained within the Road Traffic Regulation Act 1984; these powers could only be enforced by the Police. This activity is not a policing priority and the Police are unable to commit resources regularly to this activity. Consequently, drivers have become aware that they are unlikely to be prosecuted for bus lane contraventions and a culture of disregard for bus lanes/gates by some motorists is apparent. In order for bus lanes to maintain their effectiveness in providing improved journey times and reliability for existing and potential bus users, enforcement is required.

5.5 In March 2013 Cabinet approved the adoption of a civil enforcement regime for bus lanes/gates citywide using powers within Bus Lanes Contraventions (Penalty Charges, Adjudication and Enforcement) (England) Regulations 2005. The aim of the scheme was to ensure the effectiveness of bus lanes in providing improved journey times and reliability for bus users was maintained and not eroded by contraventions. This is achieved by providing BLE cameras and associated information, communication and technology infrastructure. Following the introduction of BLE in the City Centre, this report is concerned with the rollout of the first tranche of BLE proposed to be taken forward along two of the ten bus corridors outside the City Centre.

5.6 The Project Execution Plan of August 2014 set out the brief to undertake the rollout of Bus Lane Enforcement across the whole bus lane network. In addition, a highlight report in August 2016 approved additional funding to enable the FBC to be prepared for the first tranche. To date £105,665 has been spend on the development of the scheme to enable bus lane enforcement to be rolled out. This development work involved:

- Audits across the whole bus lane network to confirm that the lines and signs matched the relevant Traffic Regulation Orders.
- Identifing any additional lines and signs to ensure sites are ‘fair and reasonable’ for motorists in line with previous adjudications from the city centre scheme
- Where necessary maintenance has been carried out within the PFI, to ensure that lines and signs met the quality specification as required by the PFI Contract.
- Development work was undertaken to identify the appropriate location of the camera sites, working with and in consultation with the bus operators and Travel For West Midlands across the whole network.
- Undertaking surveys and comparison with other Authorities to ensure that the final model is robust for preparing the FBC.

5.7 The development work above has enabled the first tranche of bus lane camera enforcement to be presented for approval, to be followed by further schemes later.

5.8 This Full Business Case (FBC) presented for approval in respect of implementing works to support BLE, includes the installation of enforcement cameras, additional signing and lining together with an information activity for the first two corridors:

- B4128 Bordesley Green,
- A5127/A38 Lichfield Road/ Tyburn Road.

5.9 It is felt that these corridors have the potential to produce the most benefit in respect of improved journey times/ reliability for buses. In identifying these routes consideration was given to the number of bus routes, patronage and simplicity to deliver. The road layouts are straightforward and the Traffic Orders and lines and signs are compatible; therefore minimal changes will be required to enable camera enforcement to be implemented without the need to advertise changes to the Traffic Regulation Orders

5.10 The remaining corridors and associated measures will be the subject of separate FBCs in future years, subject to funding availability. Ultimately it is intended that all corridors in the City that include bus lanes or other bus priority measures will be covered by fixed bus lane camera enforcement where appropriate. The Mobile Camera vehicle (approved by Cabinet on 4th March 2013) will be used to support and supplement the enforcement carried out on the existing bus lanes by the fixed cameras.

5.11 The mobile camera vehicle will also be used to enforce the bus lane restrictions on those routes not covered by fixed cameras until such time as the cameras are in place.

5.12 On the back of the lessons learnt from the implementation of BLE in the City Centre and to ensure the City Council remains fair and reasonable to everybody who may be affected, it is considered necessary to inform motorist that the bus lanes are to be enforced and, therefore, appropriate prescribed signs will be erected along the lengths of bus lanes, identifying where enforcement will take place.

5.13 In addition a broad range of information activities, delivered by in-house resources, will be implemented on the run up to the start of enforcement as well as during the initial stage of enforcement. This will ensure that stakeholders, including residents and motorists are aware of the new enforcement regime. It is also suggested that a small information campaign should also be carried out in subsequent years to act as a reminder of the bus lane enforcement. This would be in addition to any other campaign carried out at the commencement of other routes as and when camera enforcement is rolled out. For example it will inform residents that it is permitted to enter the bus lane to access a private drive or access, but reminds them that it should be for the shortest possible distance. Driving along the bus lane to get to the access could result in a PCN

5.14 The Frequently Asked Questions (FAQ) page relating to Bus Lanes and their enforcement on the Council Website will be updated to provide the additional information on matters such as legitimate reasons for entering the bus lane as defined by Rule 141 of the Highway Code. The FAQ page will also include some examples of some of the unacceptable excuses. (See Appendix H)

5.15 The suggested information campaign is identified in Appendix F.

5.16 Highway Maintenance Issues

5.16.1 As part of the City Council's obligations under the Highway Maintenance and Management Private Finance Initiative (HMMPFI) contract, the Street Services Division has been formally notified of the proposed changes to the highway inventory arising from this project.

5.16.2 The appointed contractors will be required to minimise disruption to current users of the route during the implementation stage, current users will be directed as appropriate around the construction area.

5.17 Monitoring

5.17.1 The following outputs will be used to monitor the effectiveness of the enforcement regime of the bus lanes:

- Changes in the level of contravention by numbers of PCNs issues and traffic surveys
- Changes in bus reliability and journey time.
- Bus operators qualitative experiences of the scheme.

5.17.2 This data will also be used to identify where additional interventions such as supplementary signs or lines may be required for instance where there are no changes to the level of contraventions.

5.17.3 In addition the data collected will enable better predictions of improvements to the bus service either journey time or reliability supporting the roll out of further camera enforcement schemes and decisions around the continuance of this scheme at the end of the five year term.

6. Evaluation of alternative option(s):

6.1 The 'Do Nothing' option would mean that the City Council would not be fulfilling its commitment to enforce bus lanes across the City, meaning that the benefits of bus lanes in minimising journey times and maximising journey reliability for passengers would not be protected. In addition it would not support the significant investment made in those bus lanes and related improvements to the bus services.

6.2 Full Appraisals of the corridors has been considered; whereby the bus lanes and associated Traffic Regulation Orders are reviewed and where appropriate amended. In addition all camera sites that have been identified would be equipped with a camera. Due to resources and time required to deliver this option it has been rejected.

7. Reasons for Decision(s):

7.1 The approval of the Full Business Case will allow the necessary infrastructure to be put in place to support the enforcement of the initial tranche of bus lanes, thereby minimising journey times and maximising journey reliability for passengers. In addition the scheme supports the significant investment already made in the existing bus priority measures and related improvements to the bus services by the City Council and other partner organisations.

Signatures	**Date**
Councillor Stewart Stacey Cabinet Member for Transport and Roads	
…….	……
Councillor Majid Mahmood Cabinet Member for Value for Money and Efficiency	
…….	……
Waheed Nazir Strategic Director for Economy	
…….	……

List of Background Documents used to compile this Report:

- Report to Cabinet Member for Transport, Environment and Regeneration: City Centre Quality Partnership Scheme: February 2012
- Cabinet Report, Bus Lane Enforcement – Full Business Case 4 March 2013
- PEP - Bus Lane Review: August 2014
- Cabinet Report, Updated Transportation and Highways Capital Funding Strategy 2015/16 to 2020/21 Programme Definition Report 16 February 2016
- Highlight Report - Bus Lane Enforcement Review July 2016

List of Appendices accompanying this Report (if any):

Appendix A - Full Business Case

Appendix B – Equality Analysis

Appendix C – Risk Management Schedule.

Appendix D – Implementation Programme

Appendix E – Scheme Plans

- CA-02552-S4-001
- CA-02552-S6-001
- CA-02552-S6-002
- CA-02552-S6-006

Appendix F – Information Activities

Appendix G – Letter of Support from WMCA

Appendix H – Advice on the use of Bus Lanes

PROTOCOL
PUBLIC SECTOR EQUALITY DUTY

1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.

2 If there is no adverse impact then that fact should be stated within the Report at section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in the standard section (4.4) of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.

3 A full assessment should be prepared where necessary and consultation should then take place.

4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.

5 Responses to the consultation should be analysed in order to identify:

(a) whether there is adverse impact upon persons within the protected categories

(b) what is the nature of this adverse impact

(c) whether the adverse impact can be avoided and at what cost – and if not –

(d) what mitigating actions can be taken and at what cost

6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.

7 Where there is adverse impact the final Report should contain:

- a summary of the adverse impact and any possible mitigating actions (in section 4.4 or an appendix if necessary)
- the full equality impact assessment (as an appendix)
- the equality duty – see page 9 (as an appendix).

Equality Act 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

1	The Council must, in the exercise of its functions, have due regard to the need to: (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
2	Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to: (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic; (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
3	The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
4	Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to: (a) tackle prejudice, and (b) promote understanding.
5	The relevant protected characteristics are: (a) Marriage & civil partnership (b) Age (c) Disability (d) Gender reassignment (e) Pregnancy and maternity (f) Race (g) Religion or belief (h) Sex (i) Sexual orientation

Full Business Case (FBC)			
1. General Information			
Directorate	Economy	**Portfolio/Committee**	Transport and Roads
Project Title	Bus Lane Enforcement	**Project Code**	CA-02552-02
Project Description	The Birmingham Connected transport strategy sets out the Council's vision to create a step change in public transport and support the more efficient movement of people to, from and around the city. The city's resident population is set to grow by around 150,000 over the next 15 years and this will be accompanied by an increase of some 50,000 jobs - creating extra demands and pressure on the city's already congested transport network. Within this context the city also needs to address issues of road safety, carbon emissions and air quality. In the longer term a number of key corridors will form part of a rapid transit network. However, in the short term, bus lanes provide priority and reliability for existing bus services, offering an attractive alternative to private car trips for many journeys. The City Council together with its partners Transport for the West Midlands (TfWM) and the bus operators have made major investments in public transport infrastructure over the past few years with the aim of improving the whole journey experience for the bus passenger. This investment has led to improvements to journey times and reliability principally through the introduction of bus lanes across the City. As part of the Bus Alliance programme, the City Council and TfWM will continue to deliver measures which support bus services and provide bus priority to help meet wider policy objectives. The enforcement of bus lanes is a key area for action. However journey time and reliability continue to be the top two measures of satisfaction for users of bus services with the third being value for money. The figures from the 2015 Transport Focus passenger satisfaction survey for the West Midlands shows that the satisfaction with the level of punctuality has improved since 2013 and has stayed at 76% for the last two years. It is however felt that some of this is as a result of the bus operators providing additional resources such as extra vehicles to maintain punctuality. These additional resources only maintain the status quo and do not provide an improvement to the bus service. In contrast satisfaction with 'On-Bus Journey Time' which has gone down by 5% since 2013 and it is believed that this increase in		

	journey time is due to congestion of which driving in the bus lanes could be a contributing factor. Bus Lane Enforcement (BLE) in Birmingham has previously relied on powers contained within the Road Traffic Regulation Act 1984; these powers could only be enforced by the Police. This activity is not a policing priority and the Police are unable to commit resources regularly to this activity. Consequently, drivers have become aware that they are unlikely to be prosecuted for bus lane contraventions and a culture of disregard for bus lanes/gates by some motorists is apparent. In order for bus lanes to maintain their effectiveness in providing improved journey times and reliability for existing and potential bus users', enforcement is required. The bus operators share this view and consider that the current level of infringements of the bus lanes is impacting on the reliability of their services. To support the previous investment in bus priority and to assist the bus operators to improve or retain the current level of reliability of their services it is proposed to roll out camera enforcement of the bus lanes. The introduction of bus lane enforcement cameras makes best use of the bus infrastructure that already exists. In March 2013 Cabinet approved the adoption of a civil enforcement regime for bus lanes/gates City wide. The aim of the scheme was to ensure the effectiveness of bus lanes in providing improved journey times and ensuring reliability for bus users is maintained and not eroded by contraventions. It is achieved by providing Bus Lane Enforcement (BLE) cameras and associated information, communication and technology infrastructure. Following the successful introduction of BLE within the City Centre, it is proposed to roll out BLE along the ten bus corridors outside of the city centre. This Full Business Case (FBC) is in respect of implementing the first tranche of BLE to be taken forward along two corridors which are as follows: • B4128 Bordesley Green, • A5127/A38 Lichfield Road/Tyburn Road, In selecting the first corridors consideration was given to the number of bus routes, patronage and simplicity to deliver. The road layouts on the selected corridors are relatively straightforward and the Traffic Orders and lines and signs were compatible; therefore minimal changes were require to enable camera enforcement to be implemented without the need to change the Traffic Regulation Orders within the Amey PFI contract. A small amendment to the carriageway markings and road signs is required B4128 Bordesley Green East: - between Kenwood Road and Foxwell Road to improve

	clarity and reduce unintended incursions into the bus lane. Journey time data has been provided for sections of the two corridors and analysis shows that there is some two minutes difference between the daily average and the AM and PM peaks. It is expected that enforcement of the bus lanes will bring the peak journey times closer to the daily average journey time. In addition it is expected to reduce some of the extremes (for example a journey time of some 18 minutes was recorded, which is 10 minutes higher than the average and 13 minutes greater that the shortest recorded during the off peak). This example is based on some 8000 journeys recorded on the Lichfield Road corridor between Dartmouth Circus and Salford Circus. Similar variance can be found on the journey times on the Bordesley Green East corridor. The journey time reduction by two minutes is not an insignificant saving when it is remembered that the greatest journey time saving has already been achieved by the initial introduction of the bus lanes. Of more importance is the anticipated reduction in variability of journey times throughout the day, which will increase passenger confidence and support the objective of promoting the bus as an alternative sustainable travel method. This FBC covers the works outlined below to provide bus lane enforcement by cameras for two corridors. The proposals are: • Procurement and installation of the 10 Enforcement Cameras and 20 camera mounts onto existing lighting columns; including power supply on the two corridors. These additional mounts will enable the cameras to be moved between sites maximising the usage of each camera. • Installation of the camera enforcement warning signs. It is necessary to warn motorist that there is camera enforcement of the bus lanes and therefore appropriate prescribed signs will be erected. • Additional works to the carriageway markings and road signs to improve clarity and reduce unintended incursions on the B4128 Bordesley Green East: - between Kenwood Road and Foxwell Road with amendments to the start of the bus lane to avoid existing pedestrian crossing plus additional zig-zag markings to bring it up to BCC standard. • A broad spectrum of information activities including packages of information to inform motorists and residents about the commencement of enforcement on the corridors. Appendix F shows possible information activities that could be implemented as part of the

enforcement regime.

- Funding to enable further annual post implementation information activities to be carried out as well as traffic surveys to identify any changes in the level of contraventions.

Any future corridors will be subject to separate FBC's; ultimately all corridors in the City that include bus lanes will be covered by camera enforcement where appropriate. These will supplement and support any general bus lane enforcement carried out using the Enforcement Car.

The BLE system is integrated with and forms part of ongoing civil enforcement activities undertaken by the Traffic Management and Parking Services Division in the Economy Directorate.

Finance Implications

It is proposed that the funding for this project is through Prudential Borrowing of the Capital sum repayable over the 5 year life of the project. A business case model was used to predict the number of contraventions and Penalty Charge Notices in the city centre and this was updated to included actual infringements from traffic surveys carried out at each of the proposed camera sites along with revised enforcement and processing costs.

The assumptions made regarding the changes in contraventions due to enforcement have been compared to three other authorities that have bus lane enforcement and found to be robust.

It is predicted that the fines arising from the Penalty Charge Notices will cover the capital sum and interest payments as well as all revenue costs incurred in the running of the scheme. It will therefore be prudent to ring-fence the sums generated from any fines arising from enforcement of these two corridors to cover the total cost. This strategy is in line with that described in the report to Cabinet; "Updated Transportation and Highways Capital Funding Strategy 2015/16 to 2020/21 Programme Definition" Report of the 16 February 2016.

Capital Implications & Funding

To introduce the civil BLE regime along the two initial corridors the following activities will be undertaken.

- Placing of orders with third parties through Service Birmingham (SB), under the existing joint venture arrangements, to provide the City with a Bus Lane Enforcement Operating System and Infrastructure with a value of £205,200 (including fees) for ten

enforcement cameras. Whilst these assets are purchased through SB, ownership rests with the City Council. This includes the following key elements:

i. Compatible Bus Lane Enforcement Operating System & Infrastructure including: enforcement software; ten fixed bus lane cameras distributed across identified locations on the two corridors.

ii. Supporting Information Communication Technology (ICT) provided by Service Birmingham.

iii. Integration with existing Imperial Civil Enforcement Solution (ICES) and provision of associated ICES Bus Lane Enforcement Module.

- Placing of orders with third parties through Service Birmingham (SB), under the existing joint venture arrangements, for the installation of the twenty camera mounting kits and twenty electrical connections with a value of £43,470 also through Service Birmingham.
- The installation of the Camera Enforcement signs along with the additional carriageway marking and lining to improve compliance; at a cost of £25,000; which includes the fees, Detail Design, Supervision and construction. This will be procured through the Council's Highways and Infrastructure Framework agreement and orders will be placed under Chief Officer delegation.
- In addition to support this project it will be necessary to inform the residents, businesses and motorists of the new enforcement regime. It is suggested that £40,000 would be required to deliver a broad spectrum of information activities.
- An additional £42,000 has also been allocated to cover contingencies during detailed design: such as lighting columns requiring additional works or replacing to enable the fitting of the cameras, associated traffic management and fees.

The capital cost for the first Tranche of works is £355,670 (including fees and contingencies) which is the subject of this Full Business Case. This is in addition to the £103,665 development funding expended throughout 2014/15/16. The total budget required to implement is £459,335 including development costs and will be jointly funded by ITB/ Prudential Borrowing.

A summary of the capital cost required to implement the works can be found in the Capital Costs & Funding section of the Budget Summary table at the back of this report.

	Revenue Implications & Funding of Highway Infrastructure The revenue implications of this proposed BLE scheme are based on an understanding of likely contraventions and Penalty Charge Notices (PCNs) generated by the proposed enforcement regime. This will be reviewed regularly to ensure that costs associated with supporting ICT infrastructure are minimised, for example, storage requirements. It is expected the funding for the following costs will be contained within the sums generated by the proposed enforcement regime. The maintenance of the cameras will be covered under the existing joint venture arrangements with Service Birmingham (SB), at a cost £51,500 per annum at total of £257,500 for the life of the project. This will provide ongoing support in relation to system maintenance, technical support and storage for the Bus Lane Enforcement Operating System and Infrastructure for one year. An indicative cost for the future maintenance has been used based on the current level. In addition two extra camera licences will be required at £358 each per annum making a total cost of £3,500 over the five years. There will be an additional energy cost of £400 per annum for the ten new cameras installed at a total cost of £2,000 for the 5 years of the scheme. The additional net revenue expenditure in respect of the additional highways assets are estimated at £308 per annum (SSD 3789/01, SSD 3789/04), the funding for this will be contained within the sums generated by the proposed enforcement regime. The amendments to the lines and signs at the Bordesley Green East/ Kenwood Road junction would be accrued into the PFI contract and therefore a commuted sum of £9,240 is required to cover this cost with the PFI contract. In addition it is suggested that a total of £125,000 (£25,000 per year) is set aside to fund the replacement of the cameras and associated equipment in future years. The sum of £5,000 per year for four years, a total of £20,000 by the end of the project, should also be set aside to enable further information to be issued reminding motorist of the enforcement regime as well as traffic surveys to measure any changes in compliance. In addition a further £12,500 should be set aside to decommission the cameras should it be determined that the cameras are no longer required. Further details of revenue implications by key theme are

	explored below: <u>Processing & Enforcement Costs</u> The detailed allocation of enforcement resources will be determined by Traffic Management service within the Economy Directorate to ensure ongoing flexibility to reflect PCN numbers. The enforcement and processing procedures are based around current activities undertaken for the civil enforcement of parking contraventions. If sites become compliant and the level of PCNs reduce; therefore leading to a reduction in sums generated, it is proposed that the level of enforcement would be scaled back to a proportionate level. It is estimated that the total cost of processing and administering the Penalty Charge Notices is a total of £2,344,100 over the five years. The cost above includes the staffing costs that are expected at the commencement of the new enforcement regime due to the initial increase in PCN's. It is also expected that the level of infringements would reduce as compliance increases on these two corridors. The resources required for processing and administering the PCNs will be adjusted to reflect the changes in the numbers contravention as a result of the enforcement regime. In order to maximise the use of the camera it is also proposed to install additional power points and mounting points on other columns along the route. This will enable the limited number of cameras to be relocated. There is a revenue implication of relocating the cameras estimated at £2,500 per camera including any temporary traffic management requirements this is expected to cost £182,500 over the 5 year life of the project. A summary of the revenue cost required to operate and maintain the scheme can be found in the Revenue Consequences section of the Budget Summary table at the back of this report. <u>Revenue Generated by Penalty Charge Notices</u> The revenue costs for this scheme will be funded through sums generated by the PCN and therefore the sums generated should be ring-fenced to enable the resource to be used to cover the costs of implementing, running cost and the maintenance cost of this scheme. Any remaining sums generated that are not required for the above will be used in line with the strategy in the Cabinet Report; "Updated Transportation and Highways Capital Funding Strategy 2015/16 to 2020/21 Programme Definition" of the 16 February 2016.

In line with the 'Provisional Guidance on Bus Lane Enforcement in England outside of London', (February 2008), at the end of each year, the Economy Directorate of the City Council will provide to the Department for Transport an annual report of the costs and revenues, and the allocation of the surplus generated.

Financial Scenarios

The proposed scenario has the sums generated from the PCN paying off the costs of the scheme both revenue and capital over the five year term of the loan. Any surplus is reserved in accordance with Regulation 36 of the Bus Lanes Contraventions Regulations 2005, which enables this to be used to carry out highways improvements. Alternative scenarios are discussed below.

- There is a scenario where the scheme generates enough income through the PCNs to enable the prudential borrowing sum to be paid off in Year 1 of the scheme including all the future on-going revenue costs. This does depend on how quickly or slowly the level of compliance changes.

  Any surplus above this it would be retained and spent in accordance with Regulation 36 of the Bus Lanes Contraventions Regulations 2005, which enables this resource to be used to carry out highways improvements and or further investment in expanding Bus Lane Enforcement.

- There is an extreme case where the compliance is poor and the scheme generates significant sums from PCNs. However due to the continued non-compliance the benefits to reliability/ journey time improvement for public transport are unlikely to be realised. In such circumstances a decision would need to be made whether to continue with the scheme as implemented, modify the scheme to improve compliance or drop the scheme completely as it is not delivering the benefits as expected.

- There is also a scenario where the scheme is successful and there is a high level of compliance right from the start or infringements tail off sharply once enforcement commences. This will result in the sums generated by the PCNs not covering the cost of the capital and or the revenue costs. Whilst this will be judged a success a decision will need to be made on how to continue with the scheme. It will also be necessary to identify suitable funding to cover all the above costs and prioritise how best to use any sums

generated.

For example the outstanding capital sum could come from Transportation and Highways Capital programme resources, whilst any deficit in the sums generated could be covered from that of the wider enforcement regime.

In summary based upon evidence from the city centre scheme and from other Authorities our financial model is robust and therefore the scheme will cover its costs.

Programme

Subject to the approval of this business case project implementation will commence January 2017 on the Tranche 1 schemes with completion by May 2017. Appendix D provides an outline programme.

Procurement Strategy

As part of the Service Birmingham partnership and joint venture arrangements, the Council has appointed Service Birmingham to be its exclusive provider of ICT. If the Council has a requirement for a new element of ICT, that has not been previously provided to the Council by Service Birmingham, the Council can seek an alternative provider but in all instances Service Birmingham must be provided the opportunity to cost the work, and Service Birmingham has to procure the service from the 3rd party provider on behalf of the Council (the only exception being where they cannot provide such a service, which should be confirmed in writing by Service Birmingham). In addition, if the new ICT service requires connection to the Council's ICT infrastructure, Service Birmingham is responsible for providing the work to undertake such activities and apply the appropriate costs for doing so.

It should be noted that this is not a stand-alone system but requires integration with other, existing ICT applications managed by SB and also part of the exclusivity arrangements in the existing contract.

The ICT requirements relating to the BLE reports are in line with ICT services already provided by Service Birmingham, so as such the Council are contractually obliged to procure via Service Birmingham. Accordingly, the BLE system will be procured through Service Birmingham in accordance with the joint venture arrangements with the City Council. Authority to enter into a formal contract will be through the Assistant Director of Transportation and Connectivity under the delegated authority process.

The contractor who will supply and install the CCTV cameras

	would be managed by Service Birmingham on behalf of the City in partnership with the Traffic Manager, Enforcement Manager and Parking Processing Manager within Traffic Management Services who will operate the enforcement system. The Civil works to install the additional signs and lines as well as remedial works will be procured using Lot 1 of the City Council's Highways and Infrastructure Works Framework Contract 2014-18 for works up to £50,000. The Framework also takes full account of the Birmingham Business Charter for Social Responsibility. <u>Enforcement Strategy</u> In order to minimise the number of cameras that need to be procured it is proposed to install twenty mounting kits and power supplies at specific sites along the corridors where it is possible that enforcement may be required on an infrequent basis. The existing cameras can be moved around the various sites as necessary. If a site warrants more permanent attention the power supply is already in place and only an additional camera needs to be procured. It is proposed to move the cameras, if necessary, twice a year. Camera relocation will be undertaken by Service Birmingham. In addition should further corridors become enforceable it will be possible to just move the cameras to these corridors temporarily without necessarily purchasing new cameras. In the long term more cameras may be necessary and will be included in any future business case. The use of fixed cameras will supplement and support the enforcement of the bus lanes undertaken by the Mobile Enforcement Car. <u>Equalities Analysis</u> The Equality Analysis (ID EA000621) concluded that there is no detriment to any protected group and a Full Equality Analysis is not required. Appendix C <u>Consultation Summary</u> Consultation was carried out for the Full Business Case BUS LANE ENFORCEMENT approved by Cabinet on the 4th March 2013. This showed that there was support generally for Bus Lane Enforcement. No further consultation is required. It will however be important to let people know about the new enforcement regime. It is proposed to: • inform the relevant Ward Councillors of the location of the enforcement cameras

	• distribute a leaflet to inform frontages of the enforcement • have a radio campaign during, up to and including the 'launch' of the enforcement regime • digital media campaign using existing BCC resources • posters on key corridors • bus backs • BCC Website. It is intended to inform residents who live within 50m either side of an intended fixed camera site. It is important that the City Council is seen as transparent as possible regarding the enforcement regime. It is therefore proposed, on the BCC Website, to identify each individual site on each corridor. Although the individual sites will be identified information about when the camera will be in place will not. As further enforced corridors are introduced they will be added to the website. It is also planned to carry out an additional information activity during successive years to remind drivers of the enforcement regime. This can either be stand alone or form part of any future campaigns as bus lane enforcement becomes active on other corridors. <u>Monitoring</u> The following outputs will be used to monitor the effectiveness of the enforcement regime of the bus lanes: • Changes in the level of contravention by numbers of PCN issues and traffic surveys • Changes in bus reliability and journey time. • Bus operator's qualitative experiences of the scheme. • Adjudication comments and the level of appeals. This data will also be used to identify where additional interventions such as additional signs or lines may be required where there are no changes to the level of contraventions. It will also be used to inform the level of resources committed to analysis of infringement data. Collectively this data will provide information to support the rollout of further camera enforcement schemes and the development of future information activities. The current scheme has been based of a scheme life of five years; the data collected will be required to make the decision

	whether to continue with this scheme or abandon the scheme and decommission the cameras.
Links to Corporate and Service Outcomes	City Council Objectives The proposals will support the City Council's targets outlined in the Council Business Plan and Budget 2016+, in particular: • Prosperity: To help make Birmingham the Enterprise Capital of Britain and create a Green City and a Smart City that provides growth and jobs for all. • Fairness: To protect the most vulnerable in our city, open up opportunities to the most excluded and narrow the gap in life chances between our citizens. • The measures will support the aspirations of the emerging Birmingham Development Plan (BDP) and Birmingham Connected. • The proposals will also support priorities from the Birmingham Climate Change Action Plan 2010+ particularly 'reducing the environmental impact of the city's mobility needs through Low Carbon Transport'. Relevant Portfolio Objectives are as follows: • Developing Birmingham as a more sustainable City; • The overall programme will also support the key aims of making Birmingham a 'Green' City; • The proposals will also support priorities from the Birmingham Climate Change Action Plan 2010+ particularly 'reducing the environmental impact of the city's mobility needs through Low Carbon Transport'; • Improving the City's transport by improving the City's transport infrastructure and networks and tackling congestion; • Working with partners to improve road and transport safety, encourage the use of sustainable modes and increase the range of low carbon transport options available to those who live, work and visit the City; and; • Work with partners in both public and private sectors to ensure that Birmingham has a high quality transport system that meets the aspirations and needs of all its residents, improving the environment and enhancing quality of life in a safe and sustainable way.

Project Definition Document Approved by	Bus Lane Enforcement Full Business case Cabinet Report	**Date of Approval**	4th March 2013

Benefits Quantification- Impact on Outcomes	Measure	Impact
	Information Activity	• Increased awareness of bus lanes and their role in providing a sustainable transport system
	Bus Lane Enforcement Cameras	• Increased compliance and reduction of contraventions in bus lanes. • Improved journey times and reliability of bus lanes and other permitted users, i.e. Hackney Carriages; • Increased attractiveness of the bus as a sustainable mode of transport; • Reduced operating costs for permitted vehicles; • Enhances and makes best use of existing bus infrastructure • Wider benefits to transport network; i.e. encouraging modal shift and reduced vehicle mileage/reduction in pollution; and • Assessed through post implementation review determining change in contraventions and benefits to permitted vehicles;
	Camera Mountings on Lighting columns	• Reduced street clutter by utilising existing street furniture
	Mobile Enforcement Vehicle	• Utilises an existing resource which can be used at additional sites not covered by fixed cameras.
	Improved lines and signs	• Increased compliance and reduction of contraventions

		in bus lanes.
Project Deliverables	The project will deliver: • Bus Lanes that meet the current signs and line standards or above; • Bus Lanes that are more robust to resist successful challenges; • Installation of permanent and temporary camera sites on lighting columns. • Information activities to highlight the roll out of the camera enforcement programme. • Regular yearly information activities to remind motorists about the enforcement regime. • Monitoring regime to measure changes in journey times, reliability and compliance.	
Scope	This report does include: • Installation of Cameras and associated infrastructure including power supply and signage. • Additional signs or lines that are required to improve comprehension of the measures that may be necessary to reduce the challenges and adverse decisions through the adjudication process. • Information Activities to highlight the roll out of the scheme	
Scope exclusions	• This report does not include any additional bus lanes, significant extensions or reductions in length or variation in operating times • It does not include the infrastructure required to use the Enforcement Car, which may require the construction of hardstanding and amendments to Traffic Regulation Orders. Should these be required they will be covered by a separate and future Full Business Case. • The fixed cameras for the remaining Bus Lanes will be covered by a separate and future Full Business Case.	
Dependencies on other projects or activities	• Possible future element of Birmingham Cycle Revolution	
Achievability	• By restricting the amount of changes to the existing bus lanes as well as the supporting infrastructure no consultation will be required. This will reduce any	

	potential objections to the delivery of this project. • A similar project has been successfully implemented in the City Centre

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Sponsor	Anne Shaw – Acting Assistant Director Transportation & Connectivity Tel: 0121 303 6467 E-mail: anne.shaw@birmingham.gov.uk
Project Accountant	Michele Garrison (Finance Manager - Economy) Tel: 0121 303 3684 E-mail: michele.garrison@birmingham.gov.uk

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Head of City Finance (HoCF)	**Simon Ansell HOCF – Economy**	**Date of HoCF Approval:**	

2. Budget Summary (Detailed workings should also be supplied)

	Voyager Code	Financial 15/16	Financial 16/17	Financial 17/18	Totals
Capital Costs & Funding		**£**	**£**	**£**	**£**
Expenditure:					
Development costs already approved		103.7			103.7
Development costs to be approved	CA-2552-01		2.0		2.0
sub Total		**103.7**	**2.0**		**105.7**
Implementation: Cameras					
Implementation cost (including fees and information activities)			15.0	65.0	80.0
CCTV cost (10 camera inc. contingencies)				205.2	205.2
mounts & supply (20 cameras sites)				43.5	43.5
sub Total			**15.0**	**313.7**	**328.7**
Traffic Management Schemes	CA-2552-03				
Implementation costs				6.0	6.0
Construction Costs				19.0	19.0
sub Total				**25.0**	**25.0**
Totals		**103.7**	**17.0**	**338.7**	**459.4**

	Voyager Code	Financial 15/16	Financial 16/17	Financial 17/18	Totals
Funding Development costs funded by: ITB	CA-02552-01	103.7			103.7
Implementation:					
Prudential Borrowing	CA-02552-03		17.0	355.7	355.7
Totals		**103.7**	**17.0**	**338.7**	**459.4**

2. Budget Summary Continued									
	Voyager Code	*Financial 16/17 £000*	*Financial 17/18 £000*	*Financial 18/19 £000*	*Financial 19/20 £000*	*Financial 20/21 £000*	*Financial 21/22 £000*	*Financial 22/23 £000*	*Totals £000*
Revenue Consequences									
Operational Costs									
Penalty Charge Processing			1089.4	340.1	353.9	316.6	244.1		2,344.1
Maintenance of 10 Cameras/yr)			51.5	51.5	51.5	51.5	51.5		257.5
Camera Licence x 2 @ £358			0.7	0.7	0.7	0.7	0.7		3.5
Energy Cost (10 Cameras/yr)			0.4	0.4	0.4	0.4	0.4		2.0
Sub Total			**1,142.0**	**392.7**	**406.5**	**369.2**	**296.7**		**2607.1**
Other Revenue Costs									
Revenue Support for Camera Replacement			25.0	25.0	25.0	25.0	25.0		125.0
Additional Highways Asset Maintenance Costs			0.3	0.3	0.3	0.3	0.3	7.7	9.2
Prudential Borrowing over 5 years			76.6	76.6	76.6	76.6	76.6		383.0
Camera Decommission Costs								12.5	12.5
Additional Information Activity & Monitoring				5.0	5.0	5.0	5.0		20.0
Relocation of Cameras			25.0	42.5	45.0	35.0	35.0		182.5
Sub Total			**126.9**	**149.4**	**151.9**	**141.9**	**141.9**	**20.2**	**732.2**
Totals			**1268.9**	**542.1**	**558.4**	**511.1**	**438.6**	**20.2**	**3,339.3**

	Voyager Code	*Financial 16/17 £000*	*Financial 17/18 £000*	*Financial 18/19 £000*	*Financial 19/20 £000*	*Financial 20/21 £000*	*Financial 21/22 £000*	*Financial 23/24 £000*	*Totals £000*
Revenue Consequences									
Funded By:									
Sums generated from Penalty Charge Notices			1268.9	542.1	558.4	511.1	438.6	20.2	3,339.3
Totals			**1268.9**	**542.1**	**558.4**	**511.1**	**438.6**	**20.2**	**3,339.3**

2. Budget Summary Continued

Bus Lane Enforcement (BLE) Tranche 1A - Operational Sums & Expenditure and use of surplus

	Estimated Value						
	2017/18	**2018/19**	**2019/20**	**2020/21**	**2021/22**	**2022/23**	**other years**
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Bus Lane Enforcement Operational Sums							
Sums	2,980.4	930.6	968.2	866.2	667.7	0.0	6,413.1
Total Operational Sums	**2,980.4**	**930.6**	**968.2**	**866.2**	**667.7**	**0.0**	**6,413.1**
Bus Lane Enforcement Operational Expenditure							
Operational Costs (1)(2)	1,089.4	340.1	353.9	316.6	244.1	0.0	2,344.1
Maintenance and Servicing: of Cameras	51.5	51.5	51.5	51.5	51.5		257.5
Camera Licence plus 2 @ £358	0.7	0.7	0.7	0.7	0.7	0.0	3.5
Energy cost associated with cameras	0.4	0.4	0.4	0.4	0.4		2.0
Total Operational Expenditure	**1,142.0**	**392.7**	**406.5**	**369.2**	**296.7**	**0.0**	**2,607.1**
Net Operational Surplus	**1,838.4**	**537.9**	**561.7**	**497.0**	**371.0**	**0.00**	**3,806.0**
Use Of Net Operational Surplus							
Contribution to camera renewal fund	25.0	25.0	25.0	25.0	25.0	0.0	**125.0**
Additional Highways Asset Cost	0.3	0.3	0.3	0.3	0.3	7.7	**9.2**
BLE Tranche 1 Prudential Borrowing Costs	76.6	76.6	76.6	76.6	76.6	0.0	**383.0**
Camera Decommission cost	0.0	0.0	0.0	0.0	0.0	12.5	**12.5**
Future Information + Traffic Survey Activities	0.0	5.0	5.0	5.0	5.0	0.0	**20.0**
Relocation of Cameras	25.0	42.5	45.0	35.0	35.0	0.0	**182.5**
Total Use of Net Operating Surplus	**126.9**	**149.4**	**151.9**	**141.9**	**141.9**	**20.2**	**732.2**
Surplus/(Deficit) at Year-End	**1,711.5**	**388.5**	**409.8**	**355.1**	**229.1**	**-20.2**	**3,073.8**

NOTES

(1) Staffing levels to be reviewed post-implementation based on actual changes in workload.

(2) Operational Cost includes assessment & processing of PCN;

Planned Start date for delivery of the project	**February 2017**	**Planned Date of Technical completion**	**August 2017**	

Funding

The Programme Manager confirms that the implementation of the project will be funded through prudential borrowing.

Notes – Revenue Consequences

Asset Management / Maintenance Implications

As part of the City Council's obligations under the Highway Maintenance and Management Private Finance Initiative (HMMPFI) contract, Highways have been formally notified of the proposed changes to the highway inventory arising from this scheme. The project has been allocated SSD No.3789/01, 3789/04.

Maintenance Costs

This project will create assets that will form part of the highway upon completion of the project; as such they will need to be maintained within the overall highway maintenance regime. The estimated net cost of including these newly created assets within the highway maintenance regime is £308 per annum which will be contained within the sums generated by the proposed enforcement regime.

The maintenance and servicing of the installed enforcement cameras is included project within the Service Birmingham service charge of £51,500. There is an energy cost of £400 per annum will be contained within the sums generated by the proposed enforcement regime.

3. Checklist of Documents Supporting the FBC		
Item	**Mandatory attachment**	**Number attached**
Financial Case and Plan		
• Detailed workings in support of the above Budget Summary (as necessary)	Mandatory	
• Statement of required resource (people, equipment, accommodation) – append a spreadsheet or other document	Mandatory	
• Whole Lifecycle Costing analysis (as necessary)	Mandatory	
• Milestone Dates/ Project Critical Path (set up in Voyager or attached in a spreadsheet)	Mandatory	
• Partnership Funding Proposal		
• Specific Funding (Grant) outline		
Project Development products		
• Populated Issues and Risks register Appendix C	Mandatory	1
• Stakeholder Analysis	Mandatory	
• Technical Feasibility Assessments		
• Partnership Agreement		
• Non-Financial Benefits		
Other Attachments (list as appropriate)		
• Appendix B – Equality Assessment		1
• Appendix D – Indicative Programme		1
• Appendix E – Plans		4
• Appendix F – Information Activity		1
• Appendix G – Letter of support from Transport for the West Midlands (TfWM)		1
• Appendix H - Advice on the use of Bus Lanes		1

Appendix B

Equality Analysis

Birmingham City Council Analysis Report

EA Name	Camera Enforcement Of Bus Lanes
Directorate	Economy
Service Area	Transportation Services Infrastructure Projects
Type	New/Proposed Function
EA Summary	The Equality Assessment concerns the introduction of Bus Lane Enforcement Cameras at various location on key bus corridors. The aim of enforcing the bus lanes is to maintain their effectiveness in providing improved journey times and reliability for bus users.
Reference Number	EA000621
Task Group Manager	nicholas.richards@birmingham.gov.uk
Task Group Member	
Date Approved	2015-08-19 01:00:00 +0100
Senior Officer	paul.simkins@birmingham.gov.uk
Quality Control Officer	Lesley.Edwards@birmingham.gov.uk

Introduction

The report records the information that has been submitted for this equality analysis in the following format.

Overall Purpose

This section identifies the purpose of the Policy and which types of individual it affects. It also identifies which equality strands are affected by either a positive or negative differential impact.

Relevant Protected Characteristics

For each of the identified relevant protected characteristics there are three sections which will have been completed.

- Impact
- Consultation
- Additional Work

If the assessment has raised any issues to be addressed there will also be an action planning section.

The following pages record the answers to the assessment questions with optional comments included by the assessor to clarify or explain any of the answers given or relevant issues.

1 Activity Type

The activity has been identified as a New/Proposed Function.

2 Overall Purpose

2.1 What the Activity is for

What is the purpose of this Function and expected outcomes?	The purpose of this project is provide Bus Lane Enforcement Cameras on key public transport corridors to ensure the existing bus lanes retain their effectiveness. Enforcement will improve driver compliance and therefore reduce delays to the buses thereby improving improved journey times and reliability. These are important factors in retaining existing passengers as well as attracting new bus passengers. Improvements to the bus lanes and enhancing this sustainable method of travel has positive implications for road safety, air quality and carbon emissions. Certain vehicle; Hackney Carriage, cycles and motorcycle will also continue to be allowed to used the bus lanes where permitted.

For each strategy, please decide whether it is going to be significantly aided by the Function.

Public Service Excellence	No
A Fair City	Yes
A Prosperous City	Yes
A Democratic City	No

2.2 Individuals affected by the policy

Will the policy have an impact on service users/stakeholders?	Yes
Comment The City Council is responsible for improvements to the Highway and therefore our stakeholders who provide public transport services require the City Centre to ensure that the network is satisfactory for their needs.	
Will the policy have an impact on employees?	Yes
Comment Employees who rely on public transport to get to work or for travelling for work will benefit from the improvements to reliability.	
Will the policy have an impact on wider community?	Yes
Comment The improvement in bus reliability will provide a better bus service for the members of the wider community who do not have access to a car and rely on public transport.	

2.3 Analysis on Initial Assessment

The aim of this project is to install bus lane enforcement camera at various locations on key bus corridors to improve compliance and reduce contraventions by motorists. All groups who use public transport will benefit from the introduction of the bus lane enforcement cameras through improvements to journey times and reliability. As this project relates to contraventions of traffic regulation orders by vehicles; it does not identify individuals or groups of people nor distinguish between any of groups of protected characteristics.

All the relevant stakeholders have and will be provided with the information that will meet their communication requirements and also will be provided with the opportunity to seek further information or support.

All stakeholders will be treated fairly and with respect. Any personal details provided will not be disclosed to the public without agreement.

It is therefore considered that a full equality assessment is not required.

3 Concluding Statement on Full Assessment

The proposal to install bus lane enforcement camera on key bus corridors to reduce contriventions by motorists will benefit all users of public transport. These benefit will be from improvements to journey times and reliability. As this project relates to the contravention of traffic regulation orders by vehicles; it does not identify individuals or groups of people nor distinguish between any of groups of protected characteristics.

All the relevant stakeholders have and will be provided with the information that will meet their communication requirements and also will be provided with the opportunity to seek further information or support.

All stakeholders will be treated fairly and with respect. Any personal details provided will not be disclosed to the public without agreement.

4 Review Date

01/08/15

5 Action Plan

There are no relevant issues, so no action plans are currently required.

Appendix C

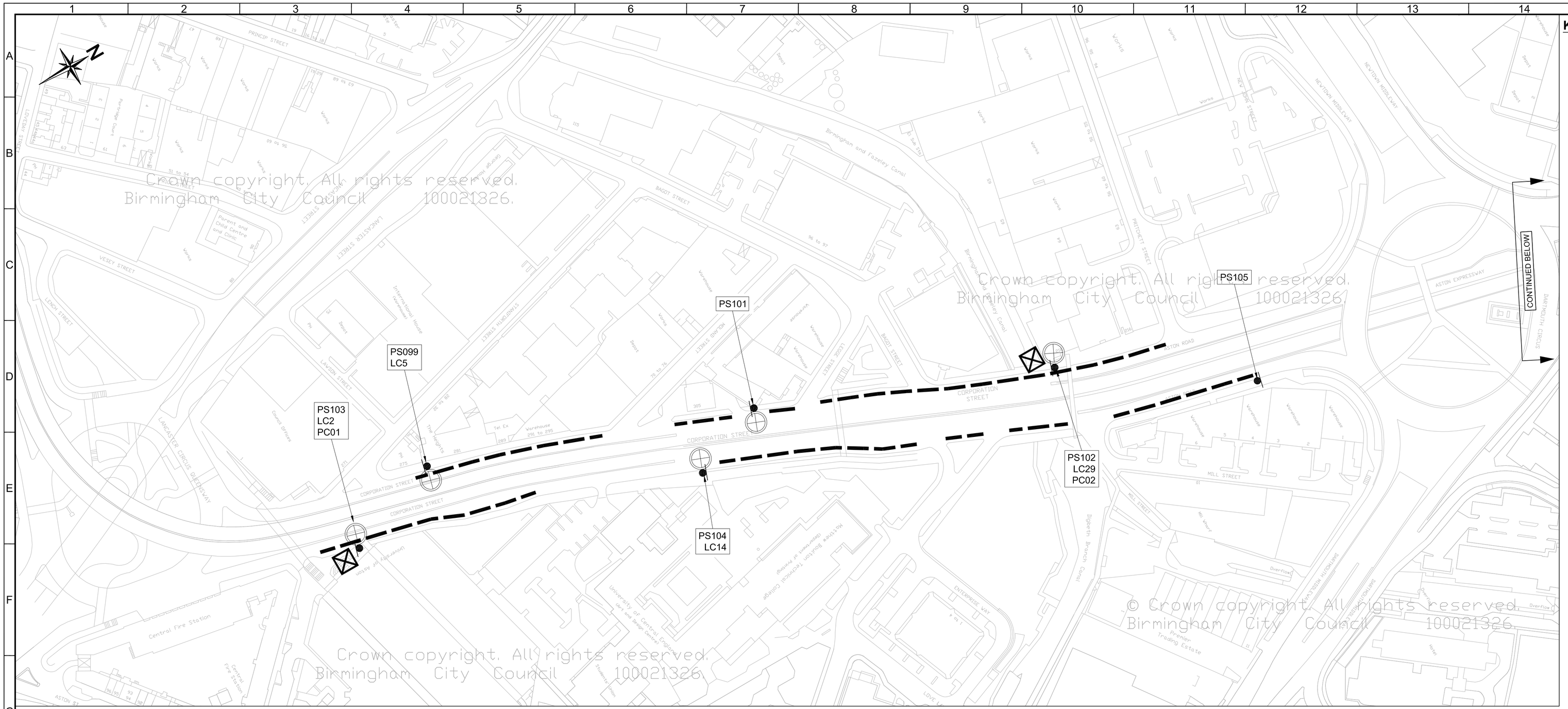
Bus Lane Enforcement: Risk Management Assessment (excludes Health, Safety and Environmental Risks)							
No.	***Item of Risk***	***Inherent Risk***		***Control Measures***	***Control Measures Managed by***	***Residual Risk***	
		Impact	***Likelihood***			***Impact***	***Likelihood***
1	Construction cost estimates exceed the estimates as detailed design work is progressed.	Medium	Medium	Construction costs will be reviewed at detailed design.	BCC Project Manager/ SB Project Manager	Medium	Low
2	Increase in construction costs due to inflation, additional work or other unforeseen circumstances on site.	Medium	Medium	Work packages will be monitored to ensure that potential overspends are addressed at an early stage, and the extent of work adjusted if necessary to avoid exceeding available funding.	BCC Project Manager/ SB Project Manager	Low	Low
3	Increase in maintenance cost to BCC due to additional measures such as street lighting	Medium	Medium	Works will be keep within agreed scope	BCC Project Manager	Medium	Medium
4	Delay due to lack a co-ordination between contractors	High	Medium	Ensure project team and contractors agree scope of works and programme.	BCC Project Manager/ SB Project Manage	Medium	Low
5	Impact on existing service utility apparatus.	Medium	Medium	Current design does not include works that require excavation. Further consideration will be made at detailed design.	BCC Project Manager	Medium	Medium
6	Construction timing conflicts with other works on the highway.	Medium	Medium	Liaison with BCC Traffic Management and Amey.	BCC Project Manager	Medium	Low
7	Obtaining road space bookings.	Medium	Low	Liaison with BCC Traffic Management and Amey.	BCC Project Manager	Low	Low
8	Procuring enforcement cameras.	Medium	Medium	Consultation with Service Birmingham	BCC Project Manager	Low	Low
10	Delays to road users during construction.	Medium	Medium	Construction of works likely to have a low impact on road users but work will be scheduled during periods of low traffic flow. This will be written into the Construction schedule. Liaison with residents where specific users are impacted.	BCC Project Manager	Medium	Low

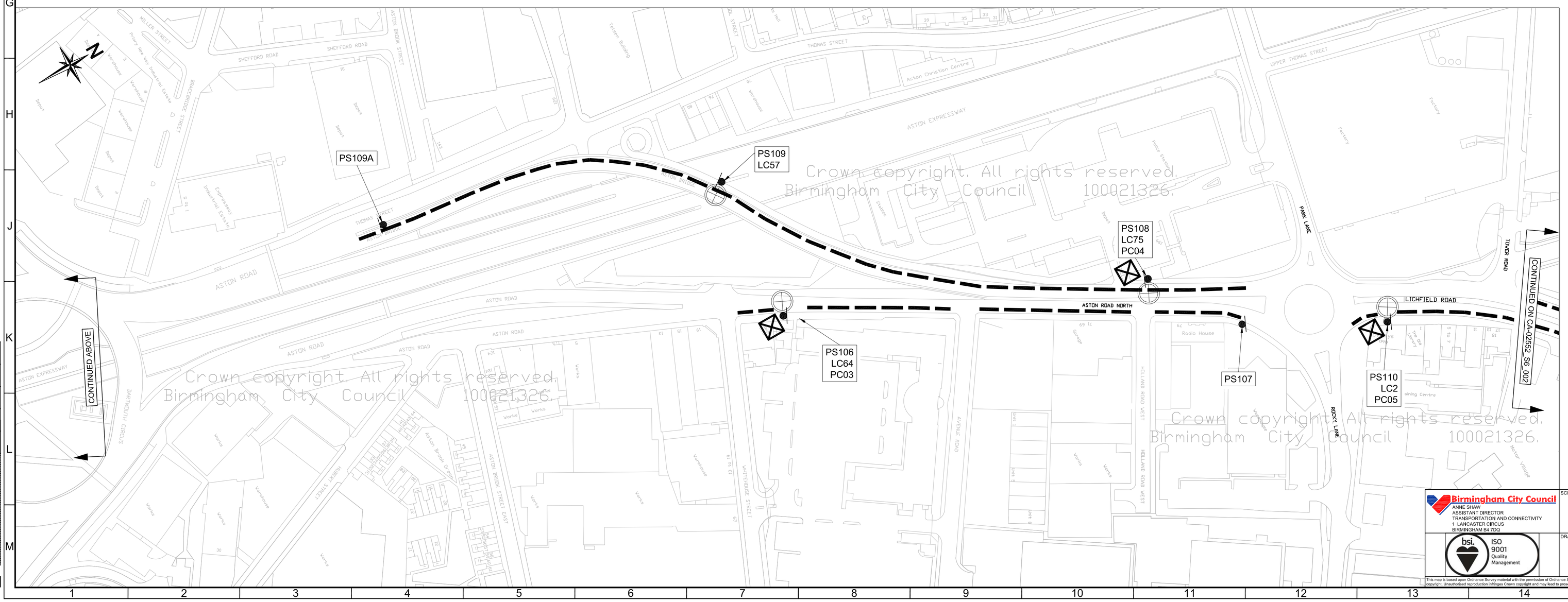
No.	Item of Risk	Inherent Risk		Control Measures	Control Measures Managed by	Residual Risk	
		Impact	Likelihood			Impact	Likelihood
11	Number of infringements does not generate the predicted income sufficient to cover the cost of the whole scheme.	High	Medium	Monitor carefully the levels of infringements and adjust the level of enforcement to suit. Adjust the location of the cameras to balance the income against costs. If necessary do not carryout enforcement.	BCC Project Manager	Medium	Low
12	Objections from motorist through the media bringing the scheme into disrepute.	High	High	Ensure that the Comms Team and the Cabinet Member are fully brief. A Comms plan to be prepared to support the information activities including key messages.	BCC Project Manager	Low	Low
13	Successful challenges to the enforcement regime bring the scheme and Council into disrepute	Low	High	Ensure that carriageway marking and signs are compliant. Monitor the level of infringements and comments from the adjudicator to identify issues that need to be rectified.	BCC Project Manager	Low	Low
14	Benefits to bus passengers and buses in terms of improved journey times not achieved leading to continued dissatisfaction with the service.	Medium	Medium	Carryout regular review of scheme with key stakeholder using anecdotal as well as data collection to identify key issues.	BCC Project Manager	Low	Low

Indicative Programme - Bus Lane Enforcement Camera

Appendix D

Week Commencing / Key Activity	23/01/2017	30/01/2017	06/02/2017	13/02/2017	20/02/2017	27/02/2017	06/03/2017	13/03/2017	20/03/2017	27/03/2017	03/04/2017	10/04/2017	17/04/2017	24/04/2017	01/05/2017	08/05/2017	22/05/2017	29/05/2017	05/06/2017	12/06/2017	19/06/2017	26/06/2017	03/07/2017	10/07/2017	17/07/2017	24/07/2017	31/07/2017	07/08/2017	14/08/2017	21/08/2017	28/08/2017	04/9/2017	11/08/2017
Cabinet Approval	■																																
Call In Period		■																															
Engage Service Birmingham			■																														
Place Orders			■																														
Lead in Period camera				■	■	■	■	■	■	■	■	■	■	■	■																		
Construction Period																■	■	■	■	■	■	■											
Camera Commission																					■	■	■										
Camera Switch On																							■										
Camera Signage Tender			■	■	■	■	■	■	■																								
Place order for signage										■																							
Lead in Period											■	■	■	■																			
Construction Period															■	■	■	■															
Finalise Information material					■	■	■	■	■	■	■	■	■																				
Information Activities																				■	■	■	■	■	■	■	■	■	■	■	■	■	
Enforcement Commences																												■					





Key:-

- Proposed enforcement camera
- Proposed traffic sign
- Existing lighting column
- Existing bus lane

Birmingham City Council
ANNE SHAW
ASSISTANT DIRECTOR
TRANSPORTATION AND CONNECTIVITY
1 LANCASTER CIRCUS
BIRMINGHAM B4 7DQ

bsi. ISO 9001 Quality Management

SCHEME: BUS LANE ENFORCEMENT

DRAWING: LICHFIELD ROAD 1 OF 2

DATE	REV.	REVISIONS				DRN	PM
DRAWN NH 13/01/17		DESIGNER NR 13/01/17	PM NR 13/01/17		REVISION -		

DRAWING STATUS: GENERAL
SCALE: 1:250
DWG. No: CA-02552_S6_001

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A1

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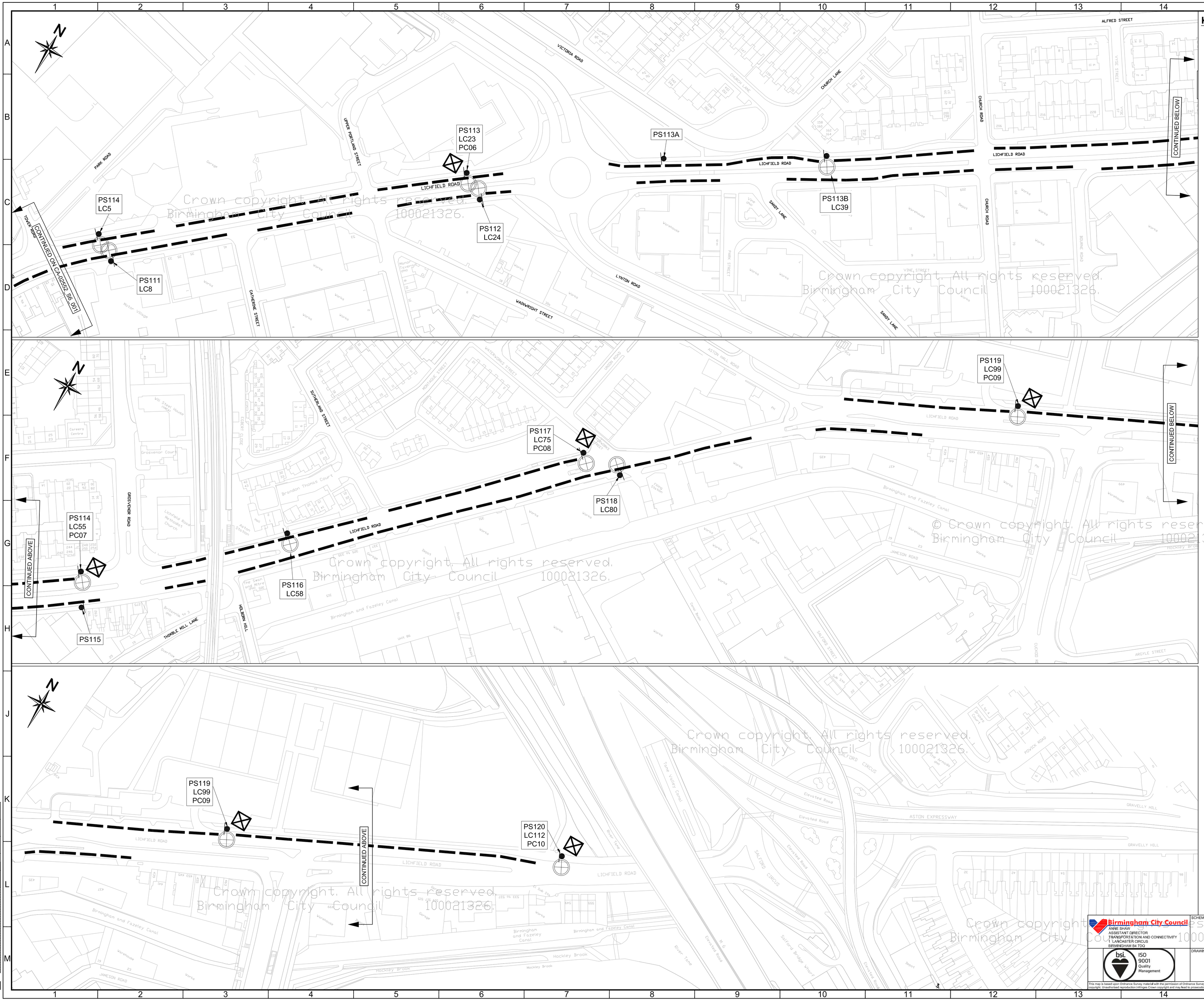

Key:-

- Proposed enforcement camera
- Proposed traffic sign
- Existing lighting column
- Existing bus lane

Birmingham City Council
ANNE SHAW
ASSISTANT DIRECTOR
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bsi. ISO 9001 Quality Management

SCHEME: BUS LANE ENFORCEMENT

DRAWING: LICHFIELD ROAD 2 OF 2

DATE	REV.	REVISIONS			DRN	PM
DRAWN NH 13/01/17	DESIGNER NR 13/01/17	PM NR 13/01/17	REVISION -			

DRAWING STATUS: GENERAL

SCALE: 1:1250

DWG. No: CA-02552_S6_002

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A1

Key:-

- Proposed enforcement camera
- Proposed traffic sign
- Existing lighting column
- Existing bus lane

Birmingham City Council
ANNE SHAW
ASSISTANT DIRECTOR
TRANSPORTATION AND CONNECTIVITY
1 LANCASTER CIRCUS
BIRMINGHAM B4 7DQ

bsi. ISO 9001 Quality Management

SCHEME: BUS LANE ENFORCEMENT

DRAWING: TYBURN ROAD

DATE	REV.	REVISIONS		DRN	PM
DRAWN	DESIGNER	PM	REVISION		
NH 13/01/17	NR 13/01/17	NR 13/01/17	-		

DRAWING STATUS: GENERAL

SCALE: 1:1250

DWG. No: CA-02552_S6_006

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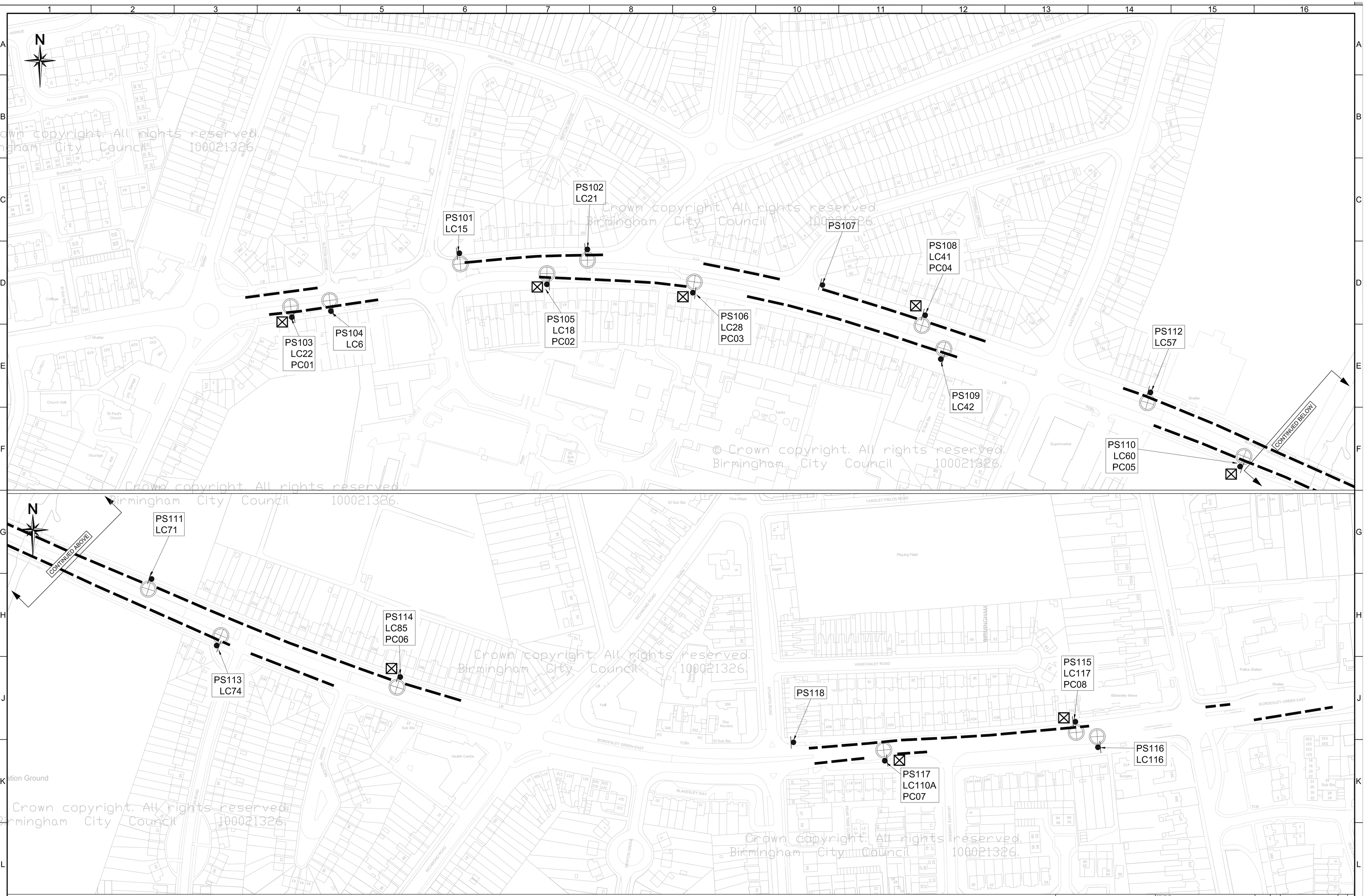

Key:-

- Proposed enforcement camera site
- Proposed traffic sign
- Existing lighting column
- Existing bus lane

Birmingham City Council
ANNE SHAW
ASSISTANT DIRECTOR
TRANSPORTATION AND CONNECTIVITY
1 LANCASTER CIRCUS
BIRMINGHAM B4 7DQ

bsi. ISO 9001 Quality Management

SCHEME: BUS LANE ENFORCEMENT

DRAWING: BORDESBLEY GREEN EAST ENFORCEMENT CAMERAS LOCATIONS

DATE	REV.	REVISIONS			DRN	PM

DRAWN	DESIGNER	PM	REVISION
NH 13/01/17	NR 13/01/17	NR 13/01/17	-

DRAWING STATUS: GENERAL
SCALE: 1:1250
DWG. No: CA-02552_S4_001

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APPENDIX F

Engagement Strategy

The engagement strategy build upon the marketing and communication plan that was developed in partnership with Centro as part of the City Centre Scheme; but was also designed to cover the various stages of development and implementation of Bus Lane Enforcement (BLE) in Birmingham.

The key objectives of the Engagement Strategy are to;

- show how the scheme will work and how to ensure compliance; and
- ensure that the wider public understand the motivation for BLE.
- inform frontagers and stakeholders of the scheme;
- inform motorists of the scheme;
- ensure that frontagers understand the restrictions and how access can still legally be gained to off-street premises.

In order to make the campaign as successful as possible, a brand and slogan for the campaign had been developed and it is intended to retain this theme of Cross the Line – Pay the Fine. All promotional materials will have a similar style which to help people identify and recall the campaign.

The key methods to be employed in the consultation plan include:

- Letters to frontagers, stakeholders and elected Members;
- Leaflets outlining motivations and proposals;
- Roadside signs at BLE sites;
- City-wide outdoor advertising on roadside poster sites (see Figure 1 below for example);
- Radio campaign on local station;
- Use of email bulletins (e.g. Birmingham Bulletin);
- Use of City Council social media;
- Website with more detailed information: www.birmingham.gov.uk/buslanes;
- Local Press – press release and article/s in Forward; and
- Bus Rear Advertising;

It is proposed to install signs displaying the legend BUS LANE ENFORCEMENT COMING SOON on the stretch of road affect at least six weeks in advance of the enforcement scheme going live. This would be supported by a Press Release identifying those areas that could be subject to enforcement. These extra signs will be included as part of the actual scheme.

At least three to four weeks prior to going live the formal Camera Enforcement signs will be erected. Although there is no guidance on the location of bus lane enforcement camera signs it is suggested that:

Diag 878 is used at the beginning of the bus lane which is subject to enforcement.

and

Diag 879 is used at the camera location. It would also be used where the bus lane to be enforced is long and or downstream of a major junction as a repeater that some form of camera enforcement is in operation.

On the day the cameras are finally commissioned a press release will be issued. At this stage the scheme will be compliant and enforceable. Although we may wish to have a ‘period of grace’ this will not be reflected in the press release. The ‘period of grace’ will be at the discretion of the enforcement team.

On the day the scheme goes ‘live’ a further press release will be issued highlighting that fact and a statement about the lengths that could be subject to enforcement.

In addition to this information the Bus Lane Enforcement webpage on the Council website will reflect the above and would also include a list and plan of those areas that could be subject to enforcement. It could also contain the location of the camera.

The Cross the Line – Pay the Fine Poster will be displayed in appropriate display boards and where possible bus shelters.

WEST MIDLANDS
COMBINED AUTHORITY

Mr Nick Richards
Infrastructure Projects
Transport and Connectivity
Birmingham City Council
1 Lancaster Circus
PO Box 16719
Birmingham
B2 2GA

Our ref: CRM 14563
Your ref: RAM M-00456172
Telephone: 0121 214 7826
Email: JonHayes@Centro.org.uk
Date: 1 July 2016

Dear Nick

SUPPORT FOR THE PROPOSED INSTALLATION OF BUS LANE ENFORCEMENT.

Many thanks for keeping us informed on progress with the proposals to introduce bus lane enforcement on the key arterial routes in Birmingham.

One of the key risks to maintaining the existing bus network is congestion on the main routes into the city and the impact this has on service punctuality and the additional resource operators are required to put in place to maintain service frequency, coverage and reliability.

This risk is recognised by the West Midlands Bus Alliance, of which Birmingham City Council is a key member, and is reflected across the 12 key objectives set by the Bus Alliance Board. The relevant objectives are;

- Improvement in peak time journey speeds.
- Increased investment in highways infrastructure to aid journey times and reliability.
- Customer satisfaction levels remain over 85%.
- To increase bus patronage by 5%.

Analysis undertaken by National Express has shown that the introduction of enforced bus lanes in Birmingham City Centre resulted in reduced waiting time for passengers of 12 to 16% for those services using Moor Street Queensway and Priory Queensway. Journey times for passengers reduced by an average of 3 to 4 minutes in the afternoon peak. These improvements have been maintained.

The variability in service provision in the city centre and other local centres is now largely a result of delays and problems away from the city core on key radial routes and crossing the middle way into the city centre. The introduction of enforced bus lanes and other priority measures will greatly assist in delivering improved and more attractive bus services across the city.

The journey time savings achieved will allow bus operators to invest in service improvements rather than simply using more resources to maintain the existing frequency with slower journey times. The benefits will be real and significant for bus passengers and encourage modal shift from private to public transport. There is an opportunity to create a virtuous circle of service

improvements, passenger growth and further service improvements this in turn will help deliver the councils vision for a connected city

For the reasons stated above The West Midlands Combined Authority (WMCA) is fully supportive of the provision of bus lanes, other bus priority measures and their enforcement in the City.

Yours Sincerely

Jonathan Hayes
Head of Network Delivery

Extract from The Highway Code. **Rule 141**

Bus lanes. These are shown by road markings and signs that indicate which (if any) other vehicles are permitted to use the bus lane. Unless otherwise indicated, you should not drive in a bus lane during its period of operation. You may enter a bus lane to stop, to load or unload where this is not prohibited.

In addition advice also indicates that it is may be permitted to enter into a bus lane for the following reasons:

- when directed to do so by a police officer in uniform;
- to avoid a collision or debris in the road;
- to drop off or pick up a passenger; (But this does not apply to driving through bus gates)
- to undertake a vehicle turning right (in this case ensure that the route back out of the bus lane is clear before undertaking);
- Accessing side roads/junctions: if the driver need to access a side road off the bus lane or turn left at a junction, this should be done by entering the bus lane just before the side road/junction. The road marking will usually indicate where to pull in to bus lane either with a broken line or by its absence.

It is expected that the vehicle is driven in the bus lane for the shortest practical and reasonable distance otherwise there will be a fined.

In addition the following excuses would be unacceptable without significant mitigating circumstances:

- *"I was going to turn left at the next junction"*
- *"there were no buses in the bus lane at the time"*
- *"I was only in the lane for a few seconds"*
- *"there is not enough room at the junction to make the left turn"*
- *"I was lost"*
- *"I didn't see the signs".*

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	**CABINET**
Report of:	**CHIEF EXECUTIVE AND STRATEGIC DIRECTOR FOR PEOPLE**
Date of Decision:	**24 January 2017**
SUBJECT:	**VOLUNTARY CHILDREN'S TRUST**
Key Decision: Yes	**Relevant Forward Plan Ref: 002890/2017**
If not in the Forward Plan: (please "tick" box)	**Chief Executive approved** ☐ **O&S Chairman approved** ☐
Relevant Cabinet Member:	**Cllr Brigid Jones – Children, Families and Schools**
Relevant O&S Chairman:	**Cllr Susan Barnett – Schools, Children and Families**
Wards affected:	**All**

1. Purpose of report:

1.1 This report seeks Cabinet approval for the proposed model, its scope, and the implementation plan and governance arrangements.

1.2 This work is based on Cabinet approval in July 2016 of the "case for change" and Cabinet approval in September 2016 of further work on the proposed Trust.

2. Decision(s) recommended:

That Cabinet:

2.1 Notes the outcome of the appraisal of the wholly owned company (WOC) option and the employee owned mutual option (Appendix 1 – Birmingham Children's Services Model - Options Appraisal).

2.2 Agrees the Trust is now created based on the wholly owned company model and as a community interest company (CIC).

2.3 Agrees the scope of the proposed Trust services as suitable for formal consultation with staff affected and recognised trade unions, service users and partners and as the basis for establishing the shadow Trust from April 2017 (Appendix 2 – Scope of Services).

2.4 Receives a further report in July 2017 to reflect any modifications in the scope in the light of formal consultation and early experience of the shadow Trust, to inform Council budget planning for 2018/19, to determine the model for transfer of staff and to clarify any VAT and corporation tax implications.

2.5 Agrees the process set out at Appendix 3 for creation of the Trust and its full implementation with final details to be approved by the Chief Executive in liaison with the Trust Chair Designate.

2.6 Notes the governance, accountability and assurance arrangements at 4.3.

2.7 Notes the shadow governance and Trust Board arrangements at 5.13 – 5.16 and the appointment of the Chair Designate (Andrew Christie) in accordance with the all-party appointments procedures of the Council.

2.8 Authorises the City Solicitor to enter into and to affix the Council's Seal to all agreements that may be necessary to give effect to those recommendations at 2.2, 2.3 and 2.5.

Lead Contact Officer(s):	Peter Hay Strategic Director for People
Telephone No: **E-mail address:**	0121 303 3575 Peter.hay@birmingham.gov.uk

3. Consultation

3.1 Internal

In advance of consultation in accordance with TUPE (Transfer of Undertakings [Protection of Employment] Regulations) 2006, there has been engagement with service users, affected employees, trade unions and Elected Members. This has covered the possible Trust models and the scope of services that would transfer to a Trust. Outcomes of this process have informed preparation of this report.

During this engagement over 600 staff have attended face-to-face information and engagement sessions and a Staff Reference Group has been formed to help shape discussions and thinking. There has been support from staff, based on recognition of the potential benefits of a Trust model including a single focus on children's social care. This is set alongside an emphasis on the need for transparency in responding to staff uncertainty and anxiety during transition to the Trust, and the need to adhere to the Council's principle on not being distracted from already secured and planned improvement work. There have been commitments and support from partners for the proposal and its potential to facilitate more effective joint work, and all-party support from the respective group leaders. Subject to today's decision there is a commitment to regular and formal consultation in the next phases.

Trade union concerns have focused on the model for transfer of staff (different models including TUPE and secondment will be appraised for July's report to cabinet) and union engagement in governance arrangements.

Officers from Legal, Finance, Corporate Procurement and HR have contributed to the production of this report.

3.2 External

Engagement has included strategic partners and stakeholders from health, police, the voluntary sector, the Birmingham Safeguarding Children Board, the Children's Strategic Leaders Forum, the Department for Education (DfE) and Birmingham's Commissioner for Children's Social Care, Andrew Christie (who became Trust Chair Designate on 25 November 2016). There has also been direct liaison with other local authorities (eg. Doncaster, Slough, Kingston-Upon-Thames, Richmond and Sunderland) where Trust arrangements exist or are being developed and learning from this has been taken into account.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

Exploration of a Trust model is consistent with the Council's priorities of children's safeguarding, making children in need safer and improving the wellbeing of vulnerable children as set out in the Council Business Plan and Budget 2016+ . Appraisal of options has included consideration of the design principles agreed by City Council in June 2016 and Cabinet in July 2016.

4.2 Financial Implications

One of the design principles agreed by the Council in June 2016 was that the current financial plan and Council priority must be maintained through to at least 2020.

The recurrent revenue funding for the confirmed core services in scope for transfer to the Trust is shown in the table below and excludes support services.

	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Net Revenue budget	163.2	157.8	154.4	153.4	153.4

These figures include planned savings for future years approved in March 2016 in the Council's Business Plan and Budget 2016+ and also the effect of the budget 2017+ proposed savings (presently subject to consultation). They exclude the effect of certain workforce savings commencing in 2017/18, the distribution of which is being finalised.

Work is being undertaken to calculate and disaggregate the costs of support services across the Council to identify those that would transfer into or be provided to the Trust. This work has regard to the implications of savings in support services costs approved in the Council budget planning for 2017/18 and beyond. The outcome of this work will be included in the July 2017 report to Cabinet. The finalisation of this will determine the main financial elements of the Trust's budget and the related reductions in the Council's budget. The Council will then make payment to the Trust for service provided.

On 20 September Cabinet agreed a delegation to enable the Chief Executive to complete negotiations for funding support with the DfE, in consultation with the Cabinet Member, and to utilise the 2016/17 funds. Costs have been estimated at £7.5m in 2016/17 and 2017/18 to support necessary work to design, develop and set-up the Trust model including appropriate programme management resources and transition requirements and the engagement of external advisers. On 10 January 2017 the Council received notification that these costs will be met in full by the DfE in the form of a Section 31 grant allocation. The grant will cover set-up costs to the point at which all services transition.

The contractual arrangements between the Council and the Trust will be designed to ensure that the Trust receives sufficient income to meet the costs of service provided to the Council. There will not be Council budgetary expectations set for the Trust to make surpluses. Notwithstanding this the Trust will be potentially liable for corporation tax on any taxable surpluses that it makes. Professional external tax advice is currently being received, to determine how the risk of a corporation tax liability might be mitigated by such an organisation.

Children's services are currently provided by the Council, which is able to reclaim VAT costs. VAT represents a significant consideration for the creation of the Trust and is a matter that requires further clarification, not just for Birmingham but in a wider national context for local authorities which are voluntarily pursuing alternative models for delivery of children's services. The Council is continuing to liaise closely with the DfE, which is working to understand the VAT implications of Trust models in general. If there are VAT implications for the new model, an agreement about funding will need to be reached with DfE. Further clarification of the VAT position will be contained in the July 2017 report to Cabinet.

4.3 Legal Implications

The proposal facilitates the discharge of a range of local authority functions under Part III and Schedule 2 Children Act 1989, the Children Act 2004, the Children and Families Act 2014 and the Adoption Act 2002. Section 111 Local Government Act 1972 allows the local authority power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

The Government's policy position on Trusts was reinforced in the July 2016 policy paper Putting children first: our vision for children's social care:
"The current system, where the vast majority of children's social care services are delivered by in-house local authority teams, is not delivering consistently excellent practice… Whilst structural change is not an end in itself, in the right circumstances it may be the key to unlocking improvement and responding to budgetary pressures as well as new threats to our children and young people."

As a local authority in intervention and subject to direction from the Secretary of State the current Children's Commissioner relationship would continue whilst the Trust is developed and implemented and the DfE would continue to hold the Council to account for improvements in delivery and outcomes.

The Council would remain accountable for the welfare and wellbeing of children and young people and for improving outcomes. Through a contract with the Council the Trust would be responsible for determining how those outcomes of most relevance to its work are achieved and also for the day-to-day running of children's services. The contract would include DfE third party rights whilst the local authority remains in intervention (meaning some decisions, like the appointment of the Chair, would require agreement with the DfE). The Council would continue to hold the statutory remits of the Director of Children's Services (DCS) under Section 18 Children

Act 2004 and Lead Member for children's services under Section 19 Children Act 2004 and the Council would be the body held accountable by Ofsted.

The Birmingham Safeguarding Children Board would retain its role in ensuring the effectiveness of co-operation between agencies in safeguarding and promoting the welfare of children and young people. This recognises that the development of the Trust sits within a wider outcomes framework that must have regard for the wellbeing of all Birmingham's children and young people and for the associated outcomes to which all agencies, including the Trust, will contribute.

The Council has agreed a principle covering wide accountability of the Trust. That includes all Councillors exercising their corporate parenting responsibilities and the Trust Chair and senior Trust managers reporting to the relevant Scrutiny Committee and others as appropriate.

A key principle of assurance is that the Council, DCS and the Trust have a shared understanding of the wider outcomes framework for children and young people and the outcome focus of the contract. That needs to be expressed in a commitment to put in place actions that enable the experiences of children and young people who receive services to be understood and improved in order to achieve best outcomes. Implementing the principle requires effective and comprehensive arrangements in the contract between the Council and the Trust that enable the quality, effectiveness and impact of services to be monitored and evaluated.

As part of the contract the Trust will be required to develop and maintain an effective performance management capability that will enable up-to-date information on the volume, quality and effectiveness of services to be available at a child level basis. In addition, the Trust will have a programme comprising audit, dip sampling and other means of evaluating the quality and impacts of services that will demonstrate the overall effectiveness of services and their impact upon outcomes for children and young people. Ofsted monitoring visits will be another important source of evidence of progress. This information will be available to the DCS and periodically subject to scrutiny by council members and the DCS when required.

A governance, accountability and assurance framework will be designed, reflecting the above and the contractual, outcome-focused performance management and other relationships between the Council, Trust, DfE and partners.

4.4. Public Sector Equality Duty

The Initial Assessment was updated in December 2-16 (Appendix 4 – Equality Analysis – Updated Initial Assessment). The principal potential impact identified to date has been that upon staff. Based on initial thoughts about the Trust's scope, an initial estimate is that this could affect as many as 2,000 members of staff currently employed by the City Council. As proposals become clearer a Full Assessment will begin and this will include children and young people as service users and consideration of age, disability and gender as protected characteristics.

5. Relevant background/chronology of key events:

5.1 The Council has been rated as inadequate in the delivery of its responsibilities to children for some years and, following the September/October Ofsted inspection, remains inadequate (though some improvements have been recognised and some areas are graded more highly). The Council therefore remains in intervention pending a further full inspection which can be anticipated by early 2019.

5.2 On 26 July 2016 Cabinet agreed the "case for change" and that this would be used to inform the appraisal and development of options for a Trust model. This is based on the proposed trust offering:

- an opportunity to develop and consolidate changes and improvements already underway.
- a sole focus on children's social work and the ability to tailor ways of working to support

best practice.

- a greater focus on service delivery and securing the best conditions for great social work.
- wider experience and expertise brought to bear through the Board and its leadership.
- a strong and clear voice – including the voice of children - to the Council, partners and the city.
- a clean break with the past.
- an opportunity to design strong staff engagement into the governance arrangements.
- clarity about the Council as place leader – holding the ring for children with credibility.
- a single locus with partners about shared responsibility for children and families with highest needs.
- clarity in communicating the work of the Trust.

5.3 On 20 September Cabinet agreed further work on two alternative delivery models from an initial list of 19. Cabinet considered which delivery model would best secure long term sustainability and improvement of children's services. Account was also taken a range of key challenges and considerations included the longstanding issues with the sustained delivery of children's services in Birmingham by the Council; serious structural, practice and governance issues affecting children's services in Birmingham as identified by Professor Julian Le Grand in 2014; and, as identified in the July 2016 report 'a case for change', six key 'root causes' which challenged the Council's ability to deliver a sustainable and improved children's service at pace.

5.4 The two models agreed for further appraisal were a wholly owned company and an employee owned mutual. These were considered most likely to secure the conditions for sustainable improvement and meet the strategic objectives (eg. accommodating the scope, providing independence, commissioner/provider split, reflecting the City Council's principles), minimise risk (complexity, market gaps) and relative affordability. The outcome of the options appraisal is described in Appendix 1 – Birmingham Children's Services Model - Options Appraisal.

5.6 The wholly owned company model is recommended to proceed to implementation. It is clear in evaluating both models that a number of barriers are not dependent on the delivery model (ie. WOC or mutual). The main factors for many barriers are the shape, design and scope of core and support services and how these service are provided to (and within) the Trust in the future.

5.7 The WOC is the preferred model because:

- it scores higher in the options appraisal.
- the mutual has some significant risks around:
    - operational independence (potentially too independent, making, for example, "step in" difficult in the event of any poor performance).
    - time, cost and complexity to implement. There are no children's social care mutuals, this would be the first one and it would take longer and be more complex to set up (there any many types of mutual model and each would need its own appraisal).
    - the initial 3 year contract term restriction for which competition can be reserved just to mutuals and, in addition, the risk of open procurement at the end of the term (which could be happening in the same timeframe as another Ofsted inspection).
    - potential disruption to service improvement resulting from transition, one of the key design principles. A mutual would take more resources and time to set up, there is a risk this would be a distraction, a risk that decision-making could be slower within a mutual and key improvement changes which are needed could be hindered or blocked.
- finally, a WOC can become a mutual, if the Council so determines, but the other way round would be difficult. This would indicate that a WOC would be the safe, proven and quick option and would avoid all the significant risks of a mutual.

5.8 The WOC needs to be set up with sufficient operational independence to be able to deliver its outcomes via its own company structure (board) and management team. This would be achieved by shaping the core and support services properly and having an appropriate governance, accountability and assurance framework in place.

5.9 It is proposed the WOC would have elements of the employee owned mutual model, in particular the opportunity to build into the model strong staff and union engagement including a role in governance arrangements, something that could be tested in the shadow year.

5.10 The case for making the WOC a community interest company is that it counters some of the issues around accountability, control and operational independence. It establishes a clear intent from the very outset about the purpose of the Trust and establishes an asset lock. In summary:

- it would protect its assets for community purposes.
- surpluses would be re-invested in the company or in the local community (cannot be returned to the Council).
- it would have an asset lock so that its assets can only be used for the good of the community; they may only be sold to another CIC or, if sold at full market value, the proceeds from the sale must be used for community purposes.
- it would be obliged to pursue the community interest and has to report annually on how it does this to the CIC Regulator. A company satisfies the community interest test if a reasonable person might consider its activities are being carried out for the benefit of the community.

5.11 The scope of services to be covered by a Trust model is attached as Appendix 2 - Scope of Services. A further report on the scope will be submitted to Cabinet in July 2017 to reflect any modifications in the light of consultation and early experience of the shadow Trust and to inform Council budget planning for 2018/19.

5.12 The implementation plan for creation of the proposed Trust is attached at Appendix 3 and covers the steps to create the Shadow Trust and then move to transition.

5.13 With respect to the shadow Trust Board and to ensure that the proposed Trust has its own voice in the next significant phase of transition a Chair Designate was appointed on 25 November 2016 in accordance with the all-party appointments procedures of the Council. The next key appointment, subject to a decision today, will be the Trust Chief Executive and the aim is to appoint for April 2017.

5.14 The Board will be constituted to ensure its maximum effectiveness by adopting the following principles:

- it will be small with a straightforward democratic voting process to enable transparent and agile decision-making.
- it will work optimally by recruiting members with a mixture of skill sets and experience from both children's social care and a range of professional knowledge including finance, HR and legal.
- it will support and challenge the performance of the Children's Trust and share progress publically via an annual report.
- membership will be reviewed annually to ensure a balanced membership and that the Board is refreshed and has the members it needs to best support and challenge the Trust.
- it will work in partnership with key agencies in the city and its own workforce.
- it will be independent: the Council will have no employee or elected member places on the board to avoid conflict of interest but, given the importance of the Trust and the Council's statutory duties, there will be a Council-appointed representative.

5.15 The Board's remit will be to:

- set the vision and objectives of the Trust and children's services.
- bring professional and personal expertise to discussions.
- demonstrate strategic vision, independent judgement and an ability to think creatively.
- focus on ensuring the long term success of the Trust and sustainable good outcomes for children and families.
- provide focus, leadership and innovation to the delivery of children's services in Birmingham.
- drive a sustainable model of delivery and improvement designed to bring good and excellent services to the city.
- innovate where possible and bring the freedoms of a Trust approach to develop a new and sharper focus to the difficult issues children's services face.
- secure the ongoing commitment of senior and political leaders across Birmingham to work to significantly reduce harm and promote the wellbeing of children and young people in Birmingham.

5.16 Membership of the Board will be based on:

- a Chair.
- a Chief Executive.
- a Director of Resources.
- a Director of Operations.
- four non-executive directors, including a Council-appointed representative, with social work, finance, HR and legal expertise and experience and knowledge of Birmingham and partner agencies.

5.17 The Board will have a sub-committee arrangement and this will facilitate strong staff and union engagement.

5.18 Partners have indicated support for the proposal as an opportunity for better integration and collaborative working. Partners have been involved in programme management and shadow governance arrangements. Recognising that the proposed Trust would be part of a wider system of agencies and partners which share the aim of securing better outcomes for children and young people, there is a commitment to building stronger relationships and behaviours around a shared vision, values and leadership of the system.

6. Evaluation of alternative option(s):

6.1 The range of options for voluntary development of a Trust model have been evaluated and reduced to the recommended model.

7. Reasons for Decision(s):

7.1 To secure formal support for the full implementation of the recommended Trust model, its scope, implementation and related governance arrangements.

7.2 To address longstanding failures, to consolidate changes and improvements already underway, and to secure the greater agility and focus required to deliver excellent social work in an effective and sustainable way.

Signatures **Date**

Cabinet Member, Children, Families and Schools:
Cllr Brigid Jones

……

Strategic Director for People:
Peter Hay …… ……

Chief Executive …… ……
Mark Rogers

List of Background Documents used to compile this Report:

Report of the Improvement Quartet to City Council 14 June 2016.
Cabinet Reports 26 July and 20 September 2016 – Voluntary Children's Trust.
Putting Children First: Our vision for Children's Social Care – DfE July 2016.
Birmingham children's services model - 'Case for change' – July 2016.

List of Appendices accompanying this Report (if any):

1. Birmingham Children's Services Model - Options Appraisal
2. Scope of Services.
3. Creation of the Trust and its full implementation.
4. Equality Analysis – Updated Initial Assessment.

Report Version	Final	**Date**	13 January 2017

BIRMINGHAM CITY COUNCIL

CHILDREN'S TRUST

OPTIONS APPRAISAL FOR THE TRUST MODEL

(WHOLLY OWNED COMPANY or EMPLOYEE MUTUAL)

5th January 2017

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Review and revision history

Version	Date	Revisions	Author
0.1	22Oct2016	First Draft – forwarded to Seamus Gaynor and Rob Barker for review	John Sidebottom
0.2	1Nov2016	Includes review comments from Seamus Gaynor and Rob Barker	John Sidebottom
0.3	26Nov2016	Updated after review with Steve Hart, Andrew Christie, Seamus Gaynor, Rob Barker and Peter Hay	John Sidebottom
0.4	2Dec2016	Tidying for January Cabinet Report appendix	John Sidebottom
0.5	9Dec2016	Comments from the Steering Group 6Dec and specific review comments from Brigid Jones and Seamus Gaynor	John Sidebottom
0.6	21Dec2016	Tidied up after steering group comments (21Dec)	John Sidebottom
0.7	5Jan2017	Legal (Rob Barker) review comments and additional CIC analysis (Appendix B)	John Sidebottom

1 Introduction

This paper is the Options Appraisal for the Children's Trust Model, based on the September 2016 Cabinet agreeing that "*both (1) the wholly owned company option and (2) the employee owned mutual option proceed to design work*".

Cabinet also agreed to the receipt of a January 2017 report with the recommended Trust model, Trust service scope, implementation plan and shadow governance/Board arrangements.

2 Background

The two Delivery Model options being considered are:

1. A company limited by guarantee or shares which is owned wholly by the Council; or
2. A company limited by guarantee or shares which is owned by its employees.

Each of these two options would also be able to apply to be a Community Interest Company (CIC). This would be quick, easy and inexpensive to set up and can reassure the public, as the community purpose of the organisation is regulated by law.

The Cabinet Report (September 2016), Appendix 2 "Birmingham children's services ADM options shortlisting" also provided the following commentary on these options.

<u>Note: these words have been copied from the Cabinet report and have not been amended for this options appraisal.</u>

WHOLLY OWNED COUNCIL LIMITED COMPANY (Local Authority Trading Company-LATC)	A company, registered with Companies House and subject to companies' legislation, and wholly owned by the Council. The operations, assets and staff are transferred into the company.	• Stays within Council ownership • Can incentivise better cost control and surplus/profit generation • Can continue to use existing staff • Is likely to meet Teckal exemption and thus avoid the need for procurement • Hard to realise change when management structure remains unchanged, albeit in a new entity - a clear strategic direction needs to be set underpinned by effective leadership able to deliver change • TUPE would apply if staff transfer employment • Need to establish Material Factor Defence to justify difference in pay as compared to other BCC employees • Note this ADM would be regarded as an 'associated employer' for the purposes of determining 'same employer' test

EMPLOYEE OWNED LIMITED COMPANY (I.E. MUTUAL)	New entity taking the form of a workers' cooperative An independent business established by a mutual community who have a common interest in the goods and services the mutual provides. Members can be employees, customers or 'a mixed membership' model. Mutuals are funded from revenues from goods and services provided and / or contract fees.	• Some mutuals experience lower absenteeism and staff turnover than non-employee owned organisations • Some mutuals better protect staff terms and conditions • Can deliver greater customer satisfaction • Can present opportunities for innovation, turning a profit and being resilient to changes in the economic climate • A big mutual organisation may mean some members are distanced from the decision-making process • Smaller organisations may find that 'one person, one vote' may delay decision-making process • Employee committees can be used to make decisions • Unlikely to release cost savings without innovation and/or cost reduction and can be costly to set up • TUPE would apply if staff transfer employment • Provided BCC did not have 'controlling' interest (less than 50%) may be able to lawfully change T&Cs of employees in this company as compared to BCC employees

COMMUNITY INTEREST COMPANY	Community Interest Companies were introduced by the Companies (Audit, Investigations and Community Enterprise) Act 2004. This is the structure that to date has been quite widely adopted by health provider entities that have been externalised as social enterprises. A CIC cannot have charitable status and therefore is unable to access the full range of tax advantages of charitable entities.	• Can reassure public, as the community purpose is regulated • Asset lock in place. If CIC is wound up under Insolvency Act 1986 any residual assets, after satisfying creditors, will be transferred to another asset-locked body (charity or another CIC) • Has transparency of operation • TUPE would apply if staff transfer employment • Company format can be tailored to a specific organisation structure, governance or membership because it is not a company form in its own right • Quick, easy and inexpensive to set up (once company has already been set up) • Provided BCC did not have 'controlling' interest (less than 50%) may be able to lawfully change T&Cs of employees in this company as compared to BCC employees • Would need to satisfy Art 157 – ' that BCC and this Company were not a 'Single Source' for the purposes of pay and reward'

3 Evaluation Criteria

For the Cabinet Report (September 2016), the criteria used to appraise all the Delivery Models were:

1. Can the model accommodate the scope?
2. Does the model provide the conditions for operational independence?
3. Are there risks associated with adopting this model which make it undeliverable?
4. Will the option incur significant and avoidable financial implications which would make the option unsustainable within existing levels of funding?

Since all of the 3 Delivery Models above satisfied these tests, this options appraisal needs to be more granular and apply wider tests to determine the "best" Trust Model in which to deliver social care for Birmingham City Council in the future. Therefore, the appraisal has also taken into account the Council's design principles and the critical success factors considered by Cabinet in July.

At June 2016 Council, a set of design principles were agreed and a sixth added subsequently as agreed by Cabinet on 26 July:

1. The Council must be able to sustain a focus upon the improvement in social work practice that is most needed by children and families. It should not pursue a trust option if that becomes a distraction from this task.
2. The Council must be able to design an organisational form that supports and develops the best social work support to children and families.
3. The Council must take responsibility for working with social work and related staff through this period. Their engagement and support is essential to any trust being a success. In particular it is important to stress to full Council that we understand that social workers are a scarce resource and that the trust must be well placed to compete by at least matching and preferably bettering current terms and conditions.
4. The Council must engage and develop the trust model with partners.
5. The current financial plan and Council priority must be maintained through to at least 2020.
6. The level of accountability of the Trust to the Council will be defined broadly so that all Councillors continue to exercise their corporate parenting responsibilities and senior Trust managers report to the relevant Scrutiny Committee.

Additionally, the July 2016 Cabinet endorsed the "case for change"[1], based on a number of barriers associated with keeping the services within Birmingham City Council. In summary, these were clustered into six areas:

01	Focus on children	*"We should have a clear purpose of why we are in children's services… if you were to ask 10 people in the service what their purpose is, each one should give the same answer"*
02	Partnering and commissioning	*"The board should challenge us when we aren't performing well, but they should challenge our partners too"*
03	Recruitment and retention	*"Our recruitment campaigns should be bold, brave and loud… the service should be seen as a great place for passionate and committed people to work"*
04	Workforce capability	*"Learning and development should follow a 'scaffold' approach, - coupling theory and practice, whilst ensuring a continuous learning-approach both in and out of the classroom. In short, we should follow the teaching hospital model"*
05	Organisational agility	*"We shouldn't be so distracted by external pressures like Ofsted inspections. Our service should always provide the support needed by families and children - using all of our staff to do so, not just social workers"*
06	Technology, digital and analytics	*"We should give ministers and Ofsted what they want, but our practice should be informed by the data which is most relevant to families and children"*

The report identified some critical success factors linked to each "area". Critical success factors (CSFs) are the attributes required to create the environment for change in the new model.

The Cabinet report included: *"The CSFs …have been generated from our data gathering and the problem analysis and they have been checked against the children's services design principles …to ensure that the assessment of an appropriate model will provide an option that fits with the overall direction of travel of the service."*

The critical success factors need to be achieved in order to provide a step change in improvement for children's services.

"The new Birmingham model will have the ability to remove barriers to improvement and sustain progress by optimising the system as a whole, rather than simply optimising the separate parts".

[1] **Deloitte report:** Birmingham children's services model, Case for change

As an extract from the Cabinet Report, the following table shows the map of barriers to critical success factors.

System challenge area *('Meeting the objective of improving…')*	**Critical success factor** *('For the model to achieve the required step change, it should…')*
01 Focus on children	… allow for a governance structure and governance behaviours that support an uncompromised focus on good outcomes for children and young people … an organisational design that enables leadership and management autonomy for decision-making and accountability for the service
02 Partnering and commissioning	… enable the right services to be commissioned when and where required and at the right cost for children and families … permit a broad governance structure that establishes collaborative partner and inter-council relationships and provides challenge to the service
03 Recruitment and retention	… allow for dedicated, specialist recruitment resource and a children's services-specific recruitment strategy … allow for the creation and adoption of flexible packages of employment benefits … cater for a renewed focus on children's services
04 Workforce capability	… allow for a children's services-specific workforce strategy that incorporates a clear learning and development programme with career progression and a teaching and learning culture at its core
05 Organisational agility	… have the authority and ability to flex in response to changes in demand
06 Technology, digital and analytic	… allow operational staff to access and manipulate real-time data about the service, independent of the wider council … procure technology, digital and analytics that support innovation and service improvement for children's services without compromise

4 The Options Appraisal

4.1 Notes

The more granular approach therefore considers all the areas (stated above):

- Evaluation Criteria (4 criteria)
- Design Principles (6 principles)
- The Critical Success Factors[2] (11 CSFs).

Notes:

- The Scoring Matrix below uses a score of 0-5:
  - 5 = best fit, fully satisfies criteria
  - 4 = mostly satisfies criteria
  - 3 = 50/50 fit
  - 2 = does not satisfy the criteria (only partly)
  - 1 = very poor fit (barely satisfies criteria or not at all)
  - 0 – not scored
- It assumes all areas of equal weighting
- It compares the main 2 models (either of which can be a Community Interest Company (CIC)). For reference, Appendix B provides a CIC analysis
- This evaluation should be read in conjunction with Appendix A, which outlines the legal/procurement framework for each of the models.

4.2 The Evaluation Model and Score

In addition to the scoring matrix below, there are a number of other factors which will affect the ability of the Trust to deliver its services. These are noted below:

1. In relation to independence, this will be affected by a number of factors, not just the form of alternative delivery model which is adopted, namely:
   - **Corporate Governance/Structure**;
   - **Contractual independence** – this is how prescriptive or flexible is the contract with the Council for service delivery;
   - **Operational independence** – this is whether the new company has its own resources in terms of premises/ICT/service contracts/support staff to deliver the services or does it rely on the Council;
   - **Financial independence**- this is whether the new company services a single client, the Council, or whether it can generate income from other clients.

[2] From the Deloitte work on options and barriers paper 5 July 2016. Including root causes.

2. There may need to be a distinction between day to day decision making, and the more strategic decisions. Whatever model is adopted the Council will need to be able to:-
   - Comply with any DfE Direction;
   - Discharge its statutory functions;
   - Perform its Cabinet Member and Director of Children's Services statutory functions;
   - Facilitate performance of Overview and Scrutiny function;

   This will necessarily impact upon independence.

CHILDREN'S TRUST – DELIVERY MODEL – EVALUATION AND SCORING MATRIX					
AREA/REFERENCE	**CRITERIA**	**WHOLLY OWNED COUNCIL LIMITED COMPANY (LATC)**	**Score**	**EMPLOYEE OWNED LIMITED COMPANY (I.E. MUTUAL)**	**Score**
01 EVALUATION CRITERIA	Can the model accommodate the scope?	• Both models are capable of accommodating the core and support services. BOTH SCORE THE SAME	5	• Both models are capable of accommodating the core and support services. BOTH SCORE THE SAME	5

CHILDREN'S TRUST – DELIVERY MODEL – EVALUATION AND SCORING MATRIX					
AREA/REFERENCE	**CRITERIA**	**WHOLLY OWNED COUNCIL LIMITED COMPANY (LATC)**	**Score**	**EMPLOYEE OWNED LIMITED COMPANY (I.E. MUTUAL)**	**Score**

02
EVALUATION CRITERIA
	Does the model provide the conditions for operational independence?	• Stays within Council ownership
		• Can incentivise better cost control
		• Can continue to use existing staff
		• Will meet the Teckal exemption in Regulation 12 Public Contracts Regulations 2015 and thus avoid the need for the procurement of a Service Delivery Contract
		• Hard to realise change when management structure remains unchanged, albeit in a new entity - a clear strategic direction needs to be set underpinned by effective leadership able to deliver change. Although with TUPE this would also be true of the Mutual option.
		• In terms of "change", there could be refinements on this model to secure better employee engagement to have a positive impact on change:
		  ○ Having one or more employees attending the directors' meetings as observers, being able to speak but with no voting rights;
		  ○ Having a form of workers' council as part of the structure of the company.
		• To comply with Regulation 12, the Council needs to exercise a degree of control over the Trust which is similar to that which it exercises over its own departments so operational independence is going to have to be built into the governance and Service Delivery Contract. This is likely to be a compromise situation between control and independence.
		• However, a strong mitigation is to ensure the "design" of the core and support services is constructed to remove as many of the current service improvement barriers as possible. The scope of these services will be important in order to ensure operational independence, as well as the removal of barriers to service improvement.
		THE BALANCE OF THE CASE HERE IS THAT A MUTUAL CAN BE MORE OPERATIONALLY INDEPENDENT THAN A WOC. BUT A MUTUAL HAS RISKS ABOUT BEING TOO INDEPENDENT WHICH MAY CREATE DIFFICULTIES IN THE EVENT OF POOR TRUST PERFORMANCE
			3	• Public service mutuals are organisations with the following 3 characteristics:
				  ○ They have left the public sector (also known as 'spinning out');
				  ○ But continue to deliver public services; and,
				  ○ Importantly, staff control is embedded within the running of the organisation.
				• Arguably a Mutual could be seen as too independent from the Council (see also risk below). For example, in a Mutual the General Meeting of members may remove a director by an ordinary resolution. However if a Multi Stakeholder Model is applied then there would be more than one class of member, with the Council as a stakeholder being able to appoint a director(s). The Council may seek to preclude its director having their appointment terminated on the standard grounds or an extraordinary resolution (75% vote of members).
				• Concern for a Mutual is that it would be more difficult for BCC to step in and remove the Board in an extreme circumstance of poor performance, since the employees would have these voting rights, not the Council. Whilst BCC as a stakeholder might have voting rights it would not have a majority. Equally BCC might be vulnerable to its own appointed director being removed by a vote of the membership.
				
				THE BALANCE OF THE CASE HERE IS THAT A MUTUAL CAN BE MORE OPERATIONALLY INDEPENDENT THAN A WOC. BUT A MUTUAL HAS RISKS ABOUT BEING TOO INDEPENDENT WHICH MAY CREATE DIFFICULTIES IN THE EVENT OF POOR TRUST PERFORMANCE
					3

CHILDREN'S TRUST – DELIVERY MODEL – EVALUATION AND SCORING MATRIX					
AREA/REFERENCE	**CRITERIA**	**WHOLLY OWNED COUNCIL LIMITED COMPANY (LATC)**	**Score**	**EMPLOYEE OWNED LIMITED COMPANY (I.E. MUTUAL)**	**Score**
03 EVALUATION CRITERIA	Are there risks associated with adopting this model which make it undeliverable?	• This is the simplest and quickest model to establish at pace and therefore is less risk than a Mutual. • In a WOC BCC may as shareholder have the right to appoint and terminate the appointment of a director. • Both models would have a step in provision in the Service Delivery Contract. But possible that step in/intervention in the event of poor performance is less difficult with this type of model, which brings in the "operational independence" evaluation. MUTUAL IS A FAR RISKIER OPTION HERE, REFLECTED IN SCORE	5	• There are no social care mutuals of this size and complexity to learn from, so the Council would be leading the way with this type of Model. • The risk of change of organisation structure would be subject to the extraordinary resolution mechanism. In addition the Council may seek to include a provision in the Service Delivery Contract so that certain types of change of ownership without the Council's consent constitute a termination event. • It will be more complex and lengthy to set up (than the WOC). There is likely to be a considerable degree of refinement particularly if there are multiple stakeholders. • A WOC can become a Mutual but the other way around is more difficult to achieve and a procurement process would be required under Regulation 77 Public Contracts Regulations 2015. Also the contract can only be for those services set out for certain CPV codes in Regulation 77(2). So, less flexible. • However, the consideration here is that the maximum term of contract for a Mutual is limited to 3 years and the direction from the Children's Trust Steering Group is that the contract should be a 5-10 year term. • If the Council contracts with the Mutual using the reserved process for which any mutual has to be allowed to compete under Regulation 77 Public Contracts Regulations 2015 (PCR 2015) then at the end of the 3 year period there would be open competition for the Service Delivery Contract. • Therefore there is a risk that at the end of the contract term, the Trust could spin-out to something the Council would not normally endorse or be exposed to an open procurement. MUTUAL IS A FAR RISKIER OPTION HERE, REFLECTED IN SCORE	2

CHILDREN'S TRUST – DELIVERY MODEL – EVALUATION AND SCORING MATRIX					
AREA/REFERENCE	**CRITERIA**	**WHOLLY OWNED COUNCIL LIMITED COMPANY (LATC)**	**Score**	**EMPLOYEE OWNED LIMITED COMPANY (I.E. MUTUAL)**	**Score**
04 EVALUATION CRITERIA	Will the option incur significant and avoidable financial implications which would make the option unsustainable within existing levels of funding?	• Stays within Council ownership. • Can incentivise better cost control. RISK THAT A MUTUAL CAN BE A MORE COSTLY OPTION, SCORE SLIGHTLY LOWER	5	• Can present opportunities for innovation and being resilient to changes in the economic climate. • Unlikely to realise cost savings without innovation and/or cost reduction and can be costly to set up. • The downside is that a Mutual is likely to take longer and be more expensive to establish (e.g. governance, consideration of all the different Mutual options, Service Delivery Contract). RISK THAT A MUTUAL CAN BE A MORE COSTLY OPTION, SCORE SLIGHTLY LOWER	4
01 DESIGN PRINCIPLES	The Council must be able to sustain a focus upon the improvement in social work practice that is most needed by children and families. It should not pursue a trust option if that becomes a distraction from this task	• A relatively straightforward set up and transition so unlikely to be a distraction. BCC has done this before. RISK THAT A MUTUAL COULD BE A MAJOR DISTRACTION (SO SCORE LOWER)	5	• Can deliver greater customer satisfaction. • Can present opportunities for innovation and being resilient to changes in the economic climate. • A more complicated transition (than a WOC), which will involve significant management and staff time to agree on and establish the Trust Model and associated governance (internally and externally). • A Model with majority employee involvement and voting rights may make it more difficult to get agreement across the organisation about improvement changes needed to deliver the Trust outcomes. RISK THAT A MUTUAL COULD BE A MAJOR DISTRACTION (SO SCORE LOWER)	3

CHILDREN'S TRUST – DELIVERY MODEL – EVALUATION AND SCORING MATRIX					
AREA/REFERENCE	**CRITERIA**	**WHOLLY OWNED COUNCIL LIMITED COMPANY (LATC)**	**Score**	**EMPLOYEE OWNED LIMITED COMPANY (I.E. MUTUAL)**	**Score**
02 DESIGN PRINCIPLES	The Council must be able to design an organisational form that supports and develops the best social work support to children and families	• Hard to realise change when management structure remains unchanged, albeit in a new entity - a clear strategic direction needs to be set underpinned by effective leadership able to deliver change. Although with TUPE this would also be true of the Mutual option. • In terms of "change", there could be refinements on this model to secure better employee engagement to have a positive impact on change: ○ Having one or more employees attending the directors' meetings as observers, being able to speak but with no voting rights; ○ Having a form of workers' council as part of the structure of the company. BOTH HAVE PLUS AND MINUS POINTS - SCORE THE SAME	4	• Can deliver greater customer satisfaction. • Can present opportunities for innovation, turning a profit and being resilient to changes in the economic climate. • Mutuals create an environment where staff involvement and ownership improve the quality of work and retention. • It is possible that decisions about improvements can be more difficult because of the wider engagement which is mandated with employees. • In reality day to day decision making will be by directors. The directors may wish to delegate their powers to Committees consisting of members of the Co-operative. This may facilitate more involvement of members. There is however a risk that key improvements could be slow to get agreement on or in extreme circumstances be blocked. BOTH HAVE PLUS AND MINUS POINTS - SCORE THE SAME	4

CHILDREN'S TRUST – DELIVERY MODEL – EVALUATION AND SCORING MATRIX					
AREA/REFERENCE	**CRITERIA**	**WHOLLY OWNED COUNCIL LIMITED COMPANY (LATC)**	**Score**	**EMPLOYEE OWNED LIMITED COMPANY (I.E. MUTUAL)**	**Score**
03 DESIGN PRINCIPLES	The Council must take responsibility for working with social work and related staff through this period. Their engagement and support is essential to any trust being a success. In particular it is important to stress to full Council that we understand that social workers are a scarce resource and that the trust must be well placed to compete by at least matching and preferably bettering current terms and conditions	• For the purposes of evaluating this, it has been scored based on this being an engagement and communication activity. • The terms and conditions evaluation is include at CSF 03 RECRUITMENT AND RETENTION BELOW. SCORE THE SAME	5	• For the purposes of evaluating this, it has been scored based on this being an engagement and communication activity. • The terms and conditions evaluation is include at CSF 03 RECRUITMENT AND RETENTION BELOW. SCORE THE SAME	5
04 DESIGN PRINCIPLES	The Council must engage and develop the trust model with partners	• For the purposes of evaluating this, it has been scored based on this being an engagement and communication activity. SCORE THE SAME	5	• For the purposes of evaluating this, it has been scored based on this being an engagement and communication activity. SCORE THE SAME	5
05 DESIGN PRINCIPLES	The current financial plan and Council priority must be maintained through to at least 2020	• This has been scored above in 04 EVALUATION CRITERIA NOT SCORED AGAIN HERE	0	• This has been scored above in 04 EVALUATION CRITERIA NOT SCORED AGAIN HERE	0

CHILDREN'S TRUST – DELIVERY MODEL – EVALUATION AND SCORING MATRIX					
AREA/REFERENCE	**CRITERIA**	**WHOLLY OWNED COUNCIL LIMITED COMPANY (LATC)**	**Score**	**EMPLOYEE OWNED LIMITED COMPANY (I.E. MUTUAL)**	**Score**
06 DESIGN PRINCIPLES	The level of accountability of the Trust to the Council will be defined broadly so that all Councillors continue to exercise their corporate parenting responsibilities and senior Trust managers report to the relevant Scrutiny Committee.	• This "accountability" has been covered above in 02 (operational independence) EVALUATION CRITERIA and 03 (risks) EVALUATION CRITERIA, where the overall picture is that a Mutual is more difficult to control and hold to account. • To mitigate this risk BCC will need a robust governance and Service Delivery Contract in place (which in theory should basically be the same for whichever model is adopted). NOT SCORED AGAIN HERE	0	• This "accountability" has been covered above in 02 (operational independence) EVALUATION CRITERIA and 03 (risks) EVALUATION CRITERIA, where the overall picture is that a Mutual is more difficult to control and hold to account. • To mitigate this risk BCC will need a robust governance and Service Delivery Contract in place (which in theory should basically be the same for whichever model is adopted). NOT SCORED AGAIN HERE	0
01 FOCUS ON CHILDREN	…allow for a governance structure and governance behaviours that support an uncompromised focus on good outcomes for children and young people *Root Cause analysis (Deloitte paper):* *… a lack of an effective, and overarching, governance structure across the council*	• This is one of the main drivers for creation of a Trust with operational independence. Covered on 02 EVALUATION CRITERIA (Operational Independence) above NOT SCORED AGAIN HERE	0	• As per WOC NOT SCORED AGAIN HERE	0

CHILDREN'S TRUST – DELIVERY MODEL – EVALUATION AND SCORING MATRIX					
AREA/REFERENCE	**CRITERIA**	**WHOLLY OWNED COUNCIL LIMITED COMPANY (LATC)**	**Score**	**EMPLOYEE OWNED LIMITED COMPANY (I.E. MUTUAL)**	**Score**
01 FOCUS ON CHILDREN	… an organisational design that enables leadership and management autonomy for decision-making and accountability for the service *Root Cause analysis (Deloitte paper):* *… the large remit of leadership roles across children's services and the people directorate*	• This is one of the main drivers for creation of a Trust with operational independence. Covered in 02 EVALUATION CRITERIA (Operational Independence) above but also via the establishment of the new Trust governance and management structure and an appropriate scope and shape for core and support services. NOT SCORED AGAIN HERE	0	• As per WOC NOT SCORED AGAIN HERE	0
02 PARTNERING AND COMMISSIONING	… enable the right services to be commissioned when and where required and at the right cost for children and families *Root Cause analysis (Deloitte paper):* *… commissioning strategy is not clearly understood or embedded in operational activity*	• This is not model dependent. • This will be addressed via governance/commissioning and getting the shape and design of the core and support services correct. NOT MODEL DEPENDENT, SCORES THE SAME	5	• As per WOC NOT MODEL DEPENDENT, SCORES THE SAME	5

CHILDREN'S TRUST – DELIVERY MODEL – EVALUATION AND SCORING MATRIX					
AREA/REFERENCE	**CRITERIA**	**WHOLLY OWNED COUNCIL LIMITED COMPANY (LATC)**	**Score**	**EMPLOYEE OWNED LIMITED COMPANY (I.E. MUTUAL)**	**Score**
01 FOCUS ON CHILDREN 02 PARTNERING AND COMMISSIONING 05 ORGANISATIONAL AGILITY	… permit a broad governance structure that establishes collaborative partner and inter-council relationships and provides challenge to the service *Root Cause analysis (Deloitte paper):* *inadequate sense of shared vision and clarity and;* *… often ineffective or overly complex processes and;* *… inadequate integration between council services*	• Either Trust model once into shadow mode and transition will innovate/transform and establish its own relationship and working arrangements with partners. ON BALANCE MUTUAL SLIGHTLY LOWER SCORE THAN WOC	5	• In an employee mutual there will be a majority of employee representatives. To that extent that may mean that the width of representation may be narrower than for the WOC. ON BALANCE MUTUAL SLIGHTLY LOWER SCORE THAN WOC	4
03 RECRUITMENT AND RETENTION	… allow for dedicated, specialist recruitment resource and a children's services-specific recruitment strategy *Root Cause analysis (Deloitte paper):* *… lack of HR capacity*	• This will be addressed via the decisions around the shape and design of support services related to HR (not Trust Model dependent). NOT MODEL DEPENDENT, SCORES THE SAME	5	• As per WOC NOT MODEL DEPENDENT, SCORES THE SAME	5

CHILDREN'S TRUST – DELIVERY MODEL – EVALUATION AND SCORING MATRIX					
AREA/REFERENCE	**CRITERIA**	**WHOLLY OWNED COUNCIL LIMITED COMPANY (LATC)**	**Score**	**EMPLOYEE OWNED LIMITED COMPANY (I.E. MUTUAL)**	**Score**
03 RECRUITMENT AND RETENTION NOTE: BEING REVEIWED BY KATE	… allow for the creation and adoption of flexible packages of employment benefits *Root Cause analysis (Deloitte paper):* *… an unattractive total reward package, and;* *… BCS being unable to change the existing T&Cs*	• Need to establish Material Factor Defence to justify difference in pay as compared to other BCC employees. • Note this ADM would be regarded as an 'associated employer' for the purposes of determining 'same employer' test. • A bit of a confused picture here about what is possible in a WOC (see footnote)? • For the purposes of scoring here, assumed a WOC would not be able to address this barrier. • Feedback from the visit to Doncaster was that terms and conditions were not the major barrier to recruitment and retention; creating the Trust, with a new identity, drive and management team made a significant difference in a relatively short timescale. T&Cs INFLEXIBLE WITH WOC. A MUTUAL IS POTENTIALLY MORE FLEXIBLE, BUT A RISK THIS MAY BE OPEN TO CHALLENGE AND AS SUCH IS SCORED LOW AS WELL	3	• Provided BCC did not have 'controlling' interest (less than 50%) may be able to lawfully change T&Cs of employees in this company as compared to BCC employees T&Cs INFLEXIBLE WITH WOC. A MUTUAL IS POTENTIALLY MORE FLEXIBLE, BUT A RISK THIS MAY BE OPEN TO CHALLENGE AND AS SUCH IS SCORED LOW AS WELL	3
03 RECRUITMENT AND RETENTION	… cater for a renewed focus on children's services *Root Cause analysis (Deloitte paper):* *… cater for a 'clean break' from the past, representing a fresh start for Children's Services* *… Birmingham's enduring reputation*	• This is a key element of the case for change and the rationale for moving to a voluntary Children's Trust Model (so applies equally to both models). EQUAL SCORE	5	• As per WOC EQUAL SCORE	5

CHILDREN'S TRUST – DELIVERY MODEL – EVALUATION AND SCORING MATRIX					
AREA/REFERENCE	**CRITERIA**	**WHOLLY OWNED COUNCIL LIMITED COMPANY (LATC)**	**Score**	**EMPLOYEE OWNED LIMITED COMPANY (I.E. MUTUAL)**	**Score**
04 WORKFORCE CAPABILITY	… allow for a children's services-specific workforce strategy that incorporates a clear learning and development programme with career progression and a teaching and learning culture at its core *Root Cause analysis (Deloitte paper):* *… managers not proactively spending time on staff development, and;* *… training being inconsistently embedded in practice*	• This is not model-related (for this comparison) but is the case for change and the service improvement plan. And the ability of the Trust to "step up a gear" once up and running. APPLIES TO BOTH, SO SAME SCORE	5	• As per WOC APPLIES TO BOTH, SO SAME SCORE	5
05 ORGANISATIONAL AGILITY	… have the authority and ability to flex in response to changes in demand *Root Cause analysis (Deloitte paper):* *… staff deployment being inflexible*	• This is one the main drivers for creation of a Trust with operational independence. Covered on 02 EVALUATION CRITERIA (Operational Independence) above. NOT SCORED AGAIN HERE	0	• As per WOC NOT SCORED AGAIN HERE	0

CHILDREN'S TRUST – DELIVERY MODEL – EVALUATION AND SCORING MATRIX					
AREA/REFERENCE	**CRITERIA**	**WHOLLY OWNED COUNCIL LIMITED COMPANY (LATC)**	**Score**	**EMPLOYEE OWNED LIMITED COMPANY (I.E. MUTUAL)**	**Score**
06 TECHNOLOGY, DIGITAL AND ANALYTIC	… allow operational staff to access and manipulate real-time data about the service, independent of the wider council *Root Cause analysis (Deloitte paper): corporate IT does not have an exclusive focus on children's services and; … insufficient time spent mining children's services related data*	• This is about the case for change and the operational independence. It also relates to the shape and scope of support services (and whether they are in the Trust or not) and how flexible the Data and ICT arrangements are. The workstreams within the transition programme will address these barriers as part of service improvement (specifically the Governance/commissioning and Data/ICT workstreams). APPLIES EQUALLY TO BOTH MODELS, SO SAME SCORE	5	• As per WOC APPLIES EQUALLY TO BOTH MODELS, SO SAME SCORE	5
06 TECHNOLOGY, DIGITAL AND ANALYTIC	… procure technology, digital and analytics that support innovation and service improvement for children's services without compromise *Root Cause analysis (Deloitte paper): … a cumbersome procurement process that delays improvement and innovation*	• This is about the case for change and the operational independence. It also relates to the shape and scope of support services (and whether they are in the Trust or not) and how flexible the Data and ICT arrangements are. The workstreams within the transition programme will address these barriers as part of service improvement (specifically the Governance/commissioning and Data/ICT workstreams). APPLIES EQUALLY TO BOTH MODELS, SO SAME SCORE	5	• As per WOC APPLIES EQUALLY TO BOTH MODELS, SO SAME SCORE	5
TOTAL SCORE			75		68
%SCORE (excluding those areas not scored, max score 85)			94%		85%

4.3 Conclusions and Preferred Model

It is clear in evaluating these models that a number of barriers are not delivery model (i.e. WOC or Mutual) dependent. The main factor for many barriers are the shape, design and scope of core and support services and how these service are provided to (and within) the Trust in the future.

Also, the VAT risk needs to be mitigated for either model in terms of how the regulatory, governance and commissioning framework is established.

Based on the Evaluation Score (94% vs 85%) alone the "best Model" is the WOC.

This is validated by taking a closer look at the low scores (3 or less):

For a **WOC** the low scores are:	For a **Mutual** the low scores are:
• operational Independence (because of Teckal, the Trust needs to be run as an extension of the Council, the mitigation is the governance and commissioning framework and the relative freedom of an outcome based contract) • removal of barriers around recruitment and retention (T&C restrictions still apply to a WOC and there is a risk that this applies to a mutual also).	• operational independence (potentially too independent, making (for example) "step in" difficult in the event of any poor performance) • removal of barriers around recruitment and retention (T&Cs and risk that this applies to a mutual also). • time, cost and complexity to implement. There are no children's social care mutuals; this would be the first one and it would take longer and be more complex to set up (there any many types of mutual model and each would need its own appraisal) • the initial 3 year contract term restriction and in addition the risk of open procurement at the end of the term (for which competition can be reserved just to mutuals) and which could be happening in the same timeframe as a future Ofsted inspection • potential disruption to service improvement resulting from transition, one of our key design principles. A mutual would take more resources and time to set up; risk this will be a distraction; risk that decision-making could be slower within a mutual and key improvement changes could be hindered or blocked.

The WOC operational independence can also be strongly mitigated by ensuring barriers are removed by shaping the core and support services properly and the governance/commissioning framework.

The risks for a mutual have limited mitigations and are therefore significant. Not being able to move at pace and potential disruption to service improvement present major problems with this option. Also, the initial 3 year contract term and open procurement in the near future are real risks.

Finally, a WOC can become a mutual, if the Council so determines, but the other way round is difficult. This would indicate that a WOC would be the safe, proven and quick option and avoids all the significant risks of a mutual.

4.4 Recommendation 1

On balance the recommended option is for the Trust to be set up as a wholly owned company limited by guarantee.

This is the same set up as 'Achieving for Children'.

4.5 The Case for a Community Interest Company (CIC)

The next consideration is whether the WOC should be a CIC and there is a strong case here to make the Trust company a CIC early rather than wait until a later date.

The features of a WOC are (repeated from above):

- can reassure public, as the community purpose is regulated.
- asset lock in place. If CIC is wound up under Insolvency Act 1986 any residual assets, after satisfying creditors, will be transferred to another asset-locked body (charity or another CIC).
- has transparency of operation.
- TUPE would apply if staff transfer employment.
- company format can be tailored to a specific organisation structure, governance or membership because it is not a company form in its own right.
- quick, easy and inexpensive to set up (once company has already been set up).
- provided BCC did not have 'controlling' interest (less than 50%) **may** be able to lawfully change T&Cs of employees in this company as compared to BCC employees.
- would need to satisfy Art 157 – ' that BCC and this Company were not a 'Single Source' for the purposes of pay and reward'.

The case for making the WOC a CIC is that it counters some of the issues around accountability, control and operational independence. It establishes the clear intent from the very outset about the purpose of the Trust and establishes an asset lock.

That is:

- to protect its assets for community purposes.
- surpluses are re-invested in the company or in the local community (cannot be returned to the Council).
- it has an asset lock, meaning that its assets can only be used for the good of the community; they may only be sold to another CIC or, if sold at full market value, the proceeds from the sale must be used for community purposes.
- a Community Interest Company is obliged to pursue the community interest and has to report annually on how it does this to the CIC Regulator. A company satisfies the community interest test if a reasonable person might consider its activities are being carried out for the benefit of the community.

It should not take too much longer to set up a CIC as a WOC than just a WOC. It does depend on how different what is proposed is from the CIC Regulator's Model Documents (of which there are several). There is some detail to validate here as part of setting up the governance and commissioning framework, because the asset lock will impact on how the payment mechanism will work and also exit alternatives are more limited.

4.6 Recommendation 2

To establish the Trust (wholly owned company) as a community interest company.

This is the same set up as 'Achieving for Children'.

APPENDIX A – WOC vs MUTUAL CONSIDERATIONS

ITEM NO	FEATURE/ISSUE	WHOLLY OWNED COMPANY	MUTUAL
1	What is the basic type of organisation	This is a company limited by shares or by guarantee.	This is a co-operative society[3].
2	What are the key features	A company will be controlled by its members if it is limited by guarantee, and by shareholders if it is limited by shares. ○ **Companies limited by shares** have a share capital", which is a nominal figure used to represent the total net assets of the company. Shares are issued to shareholders, who become the owners of the company. The shareholders' potential liability is limited to the amount of their investment. ○ **Companies limited by guarantee** do not have a share capital and the members (equivalent to the shareholders in a company limited by shares) give a nominal guarantee to cover the company's liability, normally limited to £1. By not having a share capital, a company limited by guarantee does not have the inbuilt for-profit framework which companies limited by shares do allowing investors in the company to receive a return on their investment. A wholly owned company (WOC) in procurement terms is called a Teckal company. This has to satisfy the tests set out in Regulation 12 Public Contracts Regulations 2015. • The first is the **control test**. The Council has to exercise over the WOC a control which is similar to that which it exercises over its own departments. This means a decisive influence over both the strategic objectives and significant decisions	A society for carrying on any industry, business or trade may be registered by the Financial Conduct Authority (**FCA**) if:- ○ The FCA is satisfied that the conditions for a co-operative society are fulfilled; ○ The society has at least 3 members; ○ The society's rules contain provisions regarding matters listed in Section 14 Co-operative and Community Benefit Societies Act 2014[4]. ○ The registered office of the society is in Great Britain or the Channel Islands. A co-operative society is not a society that carries on or intends to carry on business with the object of making profits mainly for the payment of interest, dividends or bonuses on money invested or deposited with or lent to the society or any other person. The FCA considers a society to be a bona fide co-operative where it is an "autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise." The FCA guidance on what constitutes a bona fide co-operative is:- • There should be a common, economic, social or

[3] This is different from a Community Benefit Society which is another form of organisation regulated by the FCA under the Co-operative and Community Benefit Societies Act 2014.

[4] A registered society's rules must contain provision about the following matters—
1. Name 2. Objects 3. Registered office 4. Membership 5. Meetings, voting, changes to rules 6. Committees and officers 7. Maximum shareholding 8. Borrowing powers 9. Shares 10. Audit 11. Withdrawal 12. Application of profits 13. Seal 14. Investment of society's funds

ITEM NO	FEATURE/ISSUE	WHOLLY OWNED COMPANY	MUTUAL

		of the controlled legal person.
		• The second is the **market test**. More than 80% of the activities of the WOC have to be carried out in the performance of tasks entrusted to it by the Council.
		• The third is the **private involvement test**. There can be no direct private capital participation in the controlled legal person with the exception of non-controlling and non-blocking forms of private capital participation required by applicable national legislative provisions which are in conformity with the EU Treaties.
			cultural need or interest among the members of the co-operative;
			• The business should be run for the mutual benefit of the members so that the benefit that the members obtain will stem principally from their participation in the business. Participation may vary according to the nature of the business and may consist of:-
			  ○ Buying from or selling to the society;
			  ○ Using the services or amenities provided to it; or
			  ○ Supplying services to carry out its business.
			• Control of the co-operative lies with all the members. Control should be equal and not based on the level of investment. The principle of one member, one vote should apply.
			• Officers of the co-operative should be elected by members who may also vote to remove them.
			• Interest on share and loan capital must not be more than a rate necessary to obtain and retain enough capital to run the business.
			• Distribution of profits to members must be done in line with the rules of the society. Each member should receive an amount that reflects that they have traded with the society or have taken part in its business. Rather than distribute profits to members, the society could benefit members through cheaper prices or improved amenities.
			• Membership should be open but restrictions that do not offend co-operative principles are permitted.

3	Has the Council set up this type of model previously?	Yes – Acivico Limited is a WOC.	No
4	Is it a separate legal entity to the Council	Yes	Yes
5	Who is the regulator	The Registrar of Companies at Companies House	FCA

ITEM NO	FEATURE/ISSUE	WHOLLY OWNED COMPANY	MUTUAL
6	Who is responsible for the management[5] of the day to day business of the model	This will be the directors whose position will be governed by the Companies Act 2006 and the Articles of Association of the company. Companies have a two-tier structure consisting of a small group of individuals responsible for the day-to-day running of the organisation (the board of directors), which is accountable to the members (in a company limited by guarantee) or the shareholders (in a company limited by shares), who may or may not be the same people as the board. The members or shareholders have a number of fundamental powers: in particular, the power to dismiss the board and to change the constitution.	This will be the directors whose position will be governed by the Co-operative and Community Benefit Societies Act 2014 and the Rules of the co-operative society.
6	What is the legislation that governs this model.	Companies Act 2006	The Co-operative and Community Benefit Societies Act 2014.
7	Can this organisation become an admitted body?[6]	Yes	Yes
8	What are the constitutional documents which will govern the operation	These will comprise the Articles of Association which will be registered at Companies House.	These will comprise the Rules of the Co-operative Society which will be registered with the FCA.
9	Can the model be changed to a Community[7] Interest Company?	Yes	Yes

[5] This issue of representation on management boards is sometimes expressed as follows;-
Oligarchy. The individuals who make up the board are the same people as the members. This is a straightforward structure for new and relatively small organisations.
Representative oligarchy. This is used by organisations that want to have members who are organisations instead of individuals (for example, the members may include the local authority, which has the right to appoint an individual to serve on the board).
Membership. Here, the membership group is wider than the individuals on the board and elects the board. This structure is often used by co-operatives

[6] Where the model involves a service provision change under TUPE and therefore affected employees transfer to the employment of the new organisation (NewCo) the Council will ordinarily require NewCo to enter into a pension admission agreement with Wolverhampton City Council. NewCo will be eligible to be an admission body if it comes within one of the categories set out in Part 3 of Schedule 2 to the Local Government Pension Scheme Regulations 2013 SI 2013 No 2356 (the Pension Regulations 2013). The category in Part 3 that is most frequently used by Birmingham is Paragraph (d) a body that is providing or will provide a service or assets in connection with the exercise of a function of a Scheme employer as a result of (i) the transfer of the service or assets by means of a contract or other arrangement. The Council will invariably select this option having regard to the requirement of the The Best Value Authorities Staff Transfers (Pensions) Direction 2007. DCLG is consulting on draft amendments to the 2013 Regulations which if enacted will require employees who are compulsorily transferred from local authorities and other employers listed in the Pension Regulations 2013 are to be given continued access to the LGPS.

ITEM NO	FEATURE/ISSUE	WHOLLY OWNED COMPANY	MUTUAL
10	What are the example models of the constitutions of such models.	These can be found in the Companies (Model Articles) Regulations 2008 SI 3229:- ○ Model articles for companies limited by shares – Schedule 1 ○ Model articles for companies limited by guarantee – Schedule 2 There are also models published on the Companies House website.	Co-operatives UK have published a number of models including:- ○ Community Finance Model; and ○ Worker Co-operative Model[8]. as well as;- ○ Community Interest Company Limited by Shares; ○ Community Interest Company Limited by Guarantee. There are also on the FCA website a list of sponsoring organisations whose rules have been accepted as models rules by the FCA which comply with the 2014 Act.
11	Can the Council enter into an agreement with this organisation without	Yes at it falls within what was formerly termed the Teckal exemption[9] in Regulation 12 Public Contracts Regulations 2015.	The Council may limit competition to mutuals where such mutuals falls the categories in within Regulation 77 Public Contracts Regulations 2015[10].

[7] Community Interest Company - A Community Interest Company is a company which is limited by shares or guarantee. Charitable companies cannot be Community Interest Companies. A key feature of a Community Interest Company is that it contains a lock on its assets. This precludes its profits being distributed to members or shareholders other than in certain circumstances. A Community Interest Company is obliged to pursue the community interest and has to report annually on how it does this to the CIC Regulator. A company satisfies the community interest test if a reasonable person might consider its activities are being carried on for the benefit of the community. A local authority may wish to establish a CIC in order to ring-fence activities in a distinct corporate vehicle. They may be suitable for the transfer of publicly held assets to community groups.

[8] This refers to Co-operative Principles defined in the International Co-operative Alliance Statement of Co-operative Identity.

Voluntary and open membership. Co-operatives are voluntary organisations, open to all people able to use its services and willing to accept the responsibilities of membership without gender, social, racial, political or religious discrimination.

Democratic member control. Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organised in a democratic manner.

Members' economic participation. Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

Autonomy and independence. Co-operatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

Education, training and information. Co-operatives provide education and training for members, elected representatives, managers and employees so they can contribute effectively to the development of their co-operative. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

Co-operation among co-operatives. Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

Concern for community. While focusing on member needs, cooperatives work for the sustainable development of communities through policies approved by their members.

[9] This principle arises from the European Court of Justice case of Teckal Srl v Commune di Viano Case C-107/98 [1999] ECR I-8121.

[10] 77.—(1) Contracting authorities may reserve to qualifying organisations the right to participate in procedures for the award of reservable public contracts.

ITEM NO	FEATURE/ISSUE	WHOLLY OWNED COMPANY	MUTUAL
	competition?		This will need to be validated as part of the agreement of the scope of services to be provided by the Trust.
12	Can a WOC become a Mutual and vice versa?	Yes. There is a process to convert a company registered under the Companies Act 2006 into a registered society (which includes a co-operative society) under Section 115 Co-operative and Community Benefits Societies Act 2014. This will start with the passing of a special resolution by the company. However a procurement issue may well arise. The Council will have entered into a Service Delivery Contract with a Teckal company which is not subject to procurement under the Public Contracts Regulations 2015. If the Mutual has therefore not competed for the Service Delivery Contract in accordance with Regulation 77 PCR 2015, the Council will have made an illegal direct award under PCR 2015 (i.e. awarded a contract without competition and therefore be at risk of infringement action under the remedies regime in Part 3).	Yes. It is more complex than the conversion of a WOC into a mutual. This is governed by Sections 112 to 114 Co-operative and Community Benefits Societies Act 2014. This will start with the passing of a special resolution of the members of the company.
13	How can staff be more involved in a WOC or BCC in a Mutual?	One option is to have representation of employees on the Board of Directors. The UK government may be promoting legislation for this to happen. In Norway and in Sweden with a single tier board structure -	How involved can BCC be in a Mutual. Although noting it will be an outcome based contract (so BCC should not be involved in the day-2-day running) In addition to standard Employee Members, there could be a

(2) For that purpose, a contract is a reservable public contract only if it is exclusively for one or more of the services which are covered by CPV codes 75121000-0, 75122000-7, 75123000-4, 79622000-0, 79624000-4, 79625000-1, 80110000-8, 80300000-7, 80420000-4, 80430000-7, 80511000-9, 80520000-5, 80590000-6, from 85000000-9 to 85323000-9, 92500000-6, 92600000- 7, 98133000-4, and 98133110-8.

(3) In this regulation, "qualifying organisation" means an organisation which fulfils all of the following conditions:—

(a) its objective is the pursuit of a public service mission linked to the delivery of services referred to in paragraph (2);

(b) profits are reinvested with a view to achieving the organisation's objective, and any distribution of profits is based on participatory considerations;

(c) the structures of management or ownership of the organisation are (or will be, if and when it performs the contract) —

(i) based on employee ownership or participatory principles, or

(ii) require the active participation of employees, users or stakeholders; and

(d) the organisation has not been awarded, pursuant to this regulation, a contract for the services concerned by the contracting authority concerned within the past 3 years.

(4) The maximum duration of a contract awarded under this regulation shall not be longer than 3 years.

(5) Where a contracting authority exercises the power of reservation conferred by paragraph (1), the call for competition shall make reference to Article 77 of the Public Contracts Directive.

ITEM NO	FEATURE/ISSUE	WHOLLY OWNED COMPANY	MUTUAL
		workers take their place directly on the Board of Directors. But in other countries (Austria and Germany), there is a Supervisory Board, which is a grouping of people who meet regularly to approve the decisions of the Boards of Directors upon which worker representatives sit. Others have flexibility and choice within the system – for instance, it is possible for companies in France to opt for either of the above two systems of representation.	category of membership for stakeholders which provides for membership criteria which BCC officers may satisfy. The Co-operative Members as a whole would appoint X directors from Employee Members, and Y director(s) from the Stakeholder Members. There would be a Performance Framework/Contract Management tools in the Service Delivery Contract.

APPENDIX B – ANALYSIS IN RELATION TO ESTABLISHMENT OF COMMUNITY INTEREST COMPANIES

FEATURE	DETAILS
Statutory basis	Community Interest Companies were created by the Companies (Audit, Investigations and Community Enterprise) Act 2004 ("**2004 Act**"). They are also subject to the Companies Act 2006.
Community benefit	They are formed primarily for social enterprises that are being carried out for the benefit of a community. CICs may generate a profit/surplus but the purpose of CIC is one of community benefit rather to maximise a profit/surplus.
Community interest test	A CIC must satisfy the community interest test at formation and continue to do so for as long as it remains a CIC. A CIC will satisfy the community interest test if it can show that a reasonable person might consider that its activities are being carried on for the benefit of the community. A company will not satisfy the test if its activities only benefit members of a particular body or its activities are political. Not all of the activities carried on by a CIC need to have a direct benefit to the community to which it serves but everything a CIC does should somehow contribute to benefiting the community it is set up to serve. Achieving for Children is a CIC.
Reporting	A CIC has to deliver to the Registrar of Companies an annual community interest company report with its annual accounts. This report records:- • a fair and accurate description of the company's activities that have benefited the community; • details of the consultations with persons affected by the company's activities (if any); • details of the directors' remuneration (which has to be reasonable) (unless full details are provided in the annual accounts of the CIC); • the value (or a fair estimate of the value) of transfers of assets made at less than full consideration; • details of dividends declared on shares and compliance with the capping rules set by the Regulations; and • information on any performance-related interest paid on loans or debentures.
Limited liability	A CIC must be a limited company whether by shares or by guarantee. It can therefore be a wholly owned company of the Council.

FEATURE	DETAILS
Incorporation	CICs are formed under the Companies Act 2006 (CA 2006) like any other limited company. The Regulator of CICs has produced various forms of model memoranda and articles of association for CICs. There will therefore be time necessary to determine the most suitable form of model. There is not an obligation to use a model form but the use of a non model form may mean that incorporation will take longer. Form CIC36 contains the community interest statement which will set out:- • a declaration that the company will not be a political party, a political campaigning organisation or a subsidiary of either a political party or a political campaigning organisation (that is organisations that are excluded from being CICs); • a declaration that the company will pursue activities for the benefit of the community; • a description of the community or section of the community that the CIC intends to serve; • a description of the company's activities and how they will benefit the community; and • a description of how any surpluses will be used. If therefore the Council wishes to develop a model which provided employees with additional rights (e.g. board membership) the process may take longer.
Asset lock	The Community Interest Company Regulations 2005 (as amended) specify that the CIC cannot transfer its assets (including any profits or other surpluses generated by its activities) for less than market value unless:- • transferring them to another CIC or charity (that is either specified in its or articles or consented to by the Regulator); or • if the transfer is for the benefit of the community it was set up to serve (known as the asset lock). This asset lock is set out in the articles of association of the CIC. CICs must consider the asset-lock when entering into commercial relationships and when deciding remuneration for its employees and directors. The asset lock protects the assets of the CIC and ensures that the assets and profits of the CIC will be devoted to the benefit of the community and not for rewarding shareholders and directors. The Council would need to ensure that its payment mechanism in its service delivery agreement with the Children's Trust does not infringe this e.g. by requiring the return of any surplus payment. It is also likely to impact upon any profit sharing mechanism [e.g. a mechanism whereby the benefits of an underspend on a budget are shared by a pre defined formula to incentivise financial efficiency].
Regulation	CICs are regulated by the Regulator who is appointed under the 2004 Act and ensures that the CIC satisfies the community interest test and pursues its community interest objects. The Regulator has powers of intervention which include removing or appointing directors, transferring the CIC's property or shares and taking action in the name of the CIC.

FEATURE	DETAILS
Cessation	A CIC may only cease to be a CIC by dissolution, conversion to a charity or an registered society (an asset locked form of community benefit society). If a company has become a CIC it cannot become an ordinary non charitable company. Therefore there is less flexibility as to what a CIC may become than a limited wholly owned company. On dissolution the CIC should not hold any assets as any assets held by the dissolved CIC would go to the Crown.

1. Scope of Core and Support Services

In August 2016 Cabinet approved an initial proposed scope of services to be explored during the design phase of the Programme. This paper sets out the recommended scope of services to be included within the proposed Birmingham Children's Trust and its Shadow phase.

The August 2016 Cabinet Report set out 3 categories of services, those recommended to be IN, those OUT, and those that required more investigation.

Using that report as a starting point, the transition programme has engaged with the senior management of Children's Social Care, senior managers of all support services under consideration, and staff groups in various fora.

The following sections set out the results of this work:

- Section 2 outlines the recommended Core Services **in** scope.
- Section 3 outlines the recommended People Directorate Support Services **in** scope.
- Section 4 outlines the recommended Corporate Support Services **in** scope.
- Section 5 outlines the recommended services **out** of scope
- The services are listed in alphabetical order.

In terms of TUPE it can be assumed **(**subject to appraisal of models for transfer of staff and formal consultation) that:

- The staff in Core Services are in scope for TUPE **(**or the agreed model for transfer of staff**)**
- The services out of scope will not be transferred to the Trust
- The Support Services will be subject to further analysis, which includes considerations such as:
    - mapping precisely how each service directly supports the core services
    - conducting an analysis to look at instances where parts of teams, or parts of a person's job, are to support Children's Social Care. This analysis will need to look at how people are allocated. In some cases discussions will be necessary as to whether the people within that support service should fully transfer to the Trust or the Trust buys back that work (service) from BCC and the staff stay as BCC employees
    - where a whole function or team supports the core services, then the current assumption is that all the staff in that area will be subject to TUPE (or the agreed model for transfer of staff)

      However, that assumption needs to be tested in terms of whether the people in that support service should fully transfer to the Trust or the Trust buys back that work (service) from BCC and the staff stay as BCC employees
    - how budgets have been allocated within the People's Directorate or centrally (corporately) will need to factor in how it is decided which functions and therefore people are allocated to the Trust.
- This paper reflects the position for the January 2017 Cabinet Report.

  A further report on the scope will be submitted to Cabinet in July 2017 to reflect any modifications in the light of formal consultation and the early experiences of the Shadow Trust and to inform Council budget planning for 2018/19.

2. Core Services – IN SCOPE	
Adoption	Central service – recruiting and matching potential adoptive families and post-adoption/SGO support. We are exploring regional adoption agencies and would want the Trust to be able to move its adoption service into any such agreed regional arrangements in future. The proposed Trust would work with the new provider to ensure continuing close collaboration with children in care teams.
Assessment and Short-Term Intervention (ASTI) teams	In main area offices – good timely assessment of needs of those referred and short-term solution-focused help to children and families.
Child Protection chairs and Independent Review Officers, LADO, Disclosure team	Core statutory CSC functions
Children in care teams	In area main offices – supporting children in care into permanency or return home, including through family court process and up to 18 – includes specialist teams for unaccompanied asylum seeking children (UASC).
Complaints service; quality assurance; policy; research; PSWs	Quality assurance and staff development and learning function
Disabled Children's Social Care	Disabled Children's Social Care (DCSC) has recently moved to children's services (formerly part of the Special Educational Needs [SEN] service within Education). This service is closely connected to SEN and Health is these relationships, and with Adult services for transitions will need to be closely maintained
Family Support – intensive interventions with disadvantaged families	Locality based – delivered by primarily non-social work qualified staff.
Fostering	Central service located close to placements service – recruiting and supporting in-house foster carers.

2. Core Services – IN SCOPE	
Leaving Care teams	In area offices – supporting care leavers up to age 25. The proposed Trust would need to be able to explore the possibility of establishing with other LAs/ the third sector a Leaving Care trust that included Birmingham care leavers. The relationship and collaboration with children in care teams would have to remain connected and strong and the Leaving Care Trust arrangements would be best negotiated from within the proposed Children's Trust to ensure continuity of care.
No Recourse to Public Funds team; homeless young people's team; Edge of Care teams; specialist assessment, rights and participation, family group conferencing and contact service.	All of these teams are integral to the provision of statutory children's social care service
Partnership management and development	Trust support to LSCB and to wider Birmingham Partnership work for children and families
Residential care homes for disabled children	BCC residential homes for disabled children should be managed alongside DCSC.
Safeguarding teams	In localities – long-term intensive child in need and child protection interventions with the most disadvantaged families.
Single point of entry for all contacts and referrals	Child & Family Advice Service and Multi-agency Safeguarding Hub (MASH), including Emergency Duty Team for children.
Therapeutic Emotional Support Service	Mental health support primarily for children on edge of care/ in care and foster carers.
Youth Offending Service (YOS)	There is considerable overlap between safeguarding and children in care teams in relation to young people worked with. The current Ministry of Justice review of YOS nationally is suggesting closer integration with Children's social care.

3. People Directorate Support Services – IN SCOPE	
BSCB support team	Safeguarding Children Boards are primarily concerned with child protection. The Council/ Trust is the lead agency and in this respect in terms of leadership and management, the support staff resource is best managed within the Trust.
Commissioning and Contracting	In summary this area would need to cover: • The contracting interface with BCC (contract management, performance reporting). • The proposed Trust commissioning services. • The proposed Trust commissioning services in conjunction with partners. The proposed Trust would need its own commissioning/ contracting arrangement, especially in relation to purchasing external placements. It would be essential that the **placements service** is part of the Trust and it is focused on current plans to reduce costs, grow in-house foster placements and hold providers to account for quality of work with children. The commissioning function would be needed for forward planning so that the proposed Trust would be able to make best use of available resources by determining which services / functions it buys in, the contractual arrangements for new approaches (e.g. Adoption; Leaving Care) or using resources differently.
Communications	It is recommended that the trust have its own communications resource.
IT Services	It is recommended that the trust have its own ICT management resource. This would include support to implement and maintain the system which is to replace CareFirst.
Performance Data and Analysis Function	The performance data and analysis function, including the maintenance of the social care data base and staff support and training around use of the system, would need to be part of the proposed Trust. . The performance unit would also need to report back to the Council commissioners in terms of performance of the proposed Trust against commissioned outcomes.
Professional Support Services.	At present Children's Services do not manage administrative support to the service (Professional Support Services). These would need to be included in any Trust arrangement.

3. People Directorate Support Services – IN SCOPE	
Projects and Programmes	It is recommended that the Trust Projects and Programmes support to act as an enabler on the Improvement Journey. This could be an SLA/traded agreement with BCC.
Workforce Development Function	A workforce development function would need to be part of the proposed Trust.

4. Corporate Support Services – IN SCOPE	
Communications	The Trust is able to buy back some functions from the council such as web hosting and printing.
Finance	A small finance function would be required to professionally discharge the management of the finances received as part of the contract with the council and to enable the Trust to manage its financial resources. It would be free however to buy back functions such as payroll.
HR	A small HR function is required to manage recruitment and retention for the Trust as well as provide professional HR advice to the Trust's Board and senior management. This could be an SLA/traded agreement with BCC.
IT Services	It is proposed that IT services are in scope and initially remain the responsibility of the council and are covered by a buy back arrangement between BCC and the Trust.
Legal Services advice	The children's legal services function in relation to the Family Court and Public Law Outline (PLO) process would be part of the proposed Trust. Children's legal services need to work closely and collaboratively with social workers in order to ensure the needs of children are effectively represented in the Family Court, delays are minimised and social workers are given sound legal advice.
Property	It is recommended that the trust would have responsibility for its own accommodation which initially would be bought back from the council.

5. Out of Scope	
Early Years, school nursing and health visiting	These services are currently subject to a large scale commissioning redesign. These services are at Levels 1 (universal) and level 2 (universal plus) and are not part of the targeted levels 3 and 4 social care offer to families in greatest need.
Education Services	Education has made significant improvement since 2014 and is on a good trajectory, validated by the final report of the Education Commissioner Sir Mike Tomlinson. Education remaining outside the Trust is a positive choice, reflecting the continued improvement within BCC and with existing partners (S4E and BEP). It is therefore recommended that the Council's statutory responsibilities for education, including its work with schools around school improvement, school places, tracking pupils, supporting schools to fulfil their range of safeguarding responsibilities, ensuring the full education offer for excluded children and those with EHC plans are not part of the Trust. Were some of these services in scope, this would broaden the proposed Trust's professional responsibilities and dilute its primary social work Children Act 1989 functions.
Virtual School for children in care	Discussions and feedback initially placed this as out of scope but it is recognised further discussions are required (and planned) before any final decision.

Introduction

This paper is Appendix 3 of the Cabinet Report and is an outline implementation plan.

It addresses the action from the September Cabinet Report to outline *"shadow governance/Board arrangements and process for creation of the Trust".*

The body of the Cabinet Report has outlined the principles to be used for establishing the Trust Board.

The sections below therefore cover:
1. The Shadow Trust
2. The outline steps and implementation plan.

Shadow Trust

Subject to Cabinet approval, the first activity will be to create and register the company with the relevant bodies (e.g. companies house) and set up the company with the basics needed at the outset (an example here may be financial accounting).

The transition approach will therefore be to create the Trust for April 2017, which will be dormant for a year (with no direct staff or accounts), all staff will be employed by BCC (including the Board, management team and core service and support staff) who are all then transferred over to the Trust on 1 April 2018.

The **Shadow Trust period** will be from 1 April 2017 to 31 March 2018.

The purpose of the period will be to verify and test that everything needed to be in place, is in place, and will work effectively – that is, to ensure that the Trust can work fully from Day 1 (1 April 2018).

This period provides the opportunity to:
1. have the Trust management team up and running quickly and directing all the work of Children's Social Care (based on the agreed scope), including improvement plans
2. test and try out, for example:
    - the governance and commissioning framework (outcome based)
    - the assurance framework, based on performance and management information
    - any new processes or ICT needed for Day 1
    - any changes in accommodation needs
3. clarify support teams (and parts of teams), so that they are in the "right" position to smoothly move over to the Trust (e.g. address the arms and legs issue).

To validate this there will be some Day1 planning early in 2017 to ensure, at the point of transition, everything is in place. And then work backwards to ensure the programme can test as much as possible during the Shadow Trust period. This also enables the work to be included into the transition programme and workstreams (as

outlined in the section below). The critical path will be important to ensure that the programme keeps to schedule.

Implementation Plan

The programme structure used in the previous phases of the Trust work undertaken to date, will be carried forward (i.e. Steering Group, Design Authority and Programme Board).

This will be refined as the Trust is up and running in order for the Trust chair (and the Trust Board) to take on a lead programme role in key areas. That is, areas where the Trust will "lead from the front" to ensure the Trust has what it needs to be able to deliver the outcomes. This would leave BCC to address areas such as:

- the residual impacts of transition
- key HR and legal work (including formal consultation and staff transfer)
- creation of the governance and commissioning framework (outcome based) for the Trust.

Specifically, the workstreams are:

- BCC Governance and Commissioning
- Communications and Engagement
- Legal
- Finance
- People (HR)
- Property
- ICT and Data.

Each workstream already has a detailed definition of its work. These are based on the work of other Trusts and reviewed from the BCC perspective. Workstreams have been focused on providing all the detail needed for the Cabinet Report and are now actively undertaking planning for the next phases of work, assuming approval of the Cabinet Report. The key phases are:

- Jan- Mar'17 – create the shadow trust (the "company") and commence formal consultation with staff affected and recognised trade unions, service users and partners.
- Apr'17 – Mar '18 – shadow period (as per detail in the above section). There will be a further Cabinet Report on the scope in July 2017 to reflect any modifications in the light of formal consultation and early experience of the shadow Trust and to inform Council budget planning for 2018/19. This will include an options appraisal of models for staff transferring to the Trust including secondment or TUPE.
- Apr'18 – transition (go-live).

Some early dependencies and requirements include:

- the full envelope of costs for the Trust – including core and support services, in the context of BCC budget planning and setting for future years.
- how the governance and commissioning framework will work between BCC and the Trust.

Main risks:

- **the critical paths in the plan are not identified early and there is delay** – typical things which take longer and need planning early are property, contract novations, information governance (including data sharing agreements), information technology, and HR (formal consultation, staff transfer) – the mitigation here is early planning and actively managing the critical path to keep to schedule
- **poor union, staff and partner engagement** - from the transition programme perspective, strong staff, union and partner engagement and communication needs to continue throughout (from start to finish (transition) – the mitigation here is clear planning and a clear schedule of engagements and messages
- **confusion around the Trust brand and identity** – the Trust will need its own strong engagement, communications and marketing – the mitigation here is for the Trust to establish its own resources early to do this and to link closely with the BCC workstream.

The programme will continue to identify and manage risks throughout (and manage them at the appropriate level, for example, workstream level or at overall programme level).

Equality Analysis

Birmingham City Council Analysis Report

EA Name	Voluntary Children's Trust
Directorate	People
Service Area	Children - Commissioning Centre Of Excellence
Type	Amended Policy
EA Summary	Following Cabinet approval in July 2016 of the "case for change" and Cabinet approval in September 2016 of further work on a proposed Trust, this EA sets out initial thoughts on the likely, high level, impacts of the recommended Trust model.
Reference Number	EA001753
Task Group Manager	charles.ashton-gray@birmingham.gov.uk
Task Group Member	
Date Approved	2016-12-22 00:00:00 +0000
Senior Officer	alastair.gibbons@birmingham.gov.uk
Quality Control Officer	peopleeaqualitycontrol@birmingham.gov.uk

Introduction

The report records the information that has been submitted for this equality analysis in the following format.

Initial Assessment

This section identifies the purpose of the Policy and which types of individual it affects. It also identifies which equality strands are affected by either a positive or negative differential impact.

Relevant Protected Characteristics

For each of the identified relevant protected characteristics there are three sections which will have been completed.

- Impact
- Consultation
- Additional Work

If the assessment has raised any issues to be addressed there will also be an action planning section.

The following pages record the answers to the assessment questions with optional comments included by the assessor to clarify or explain any of the answers given or relevant issues.

1 Activity Type

The activity has been identified as a Amended Policy.

2 Initial Assessment

2.1 Purpose and Link to Strategic Themes

What is the purpose of this Policy and expected outcomes?
Following Cabinet approval in July 2016 of the "case for change" and Cabinet approval in September 2016 of further work on a proposed Trust, the purpose of this EA sets out initial thoughts on the likely, high level, impacts of the recommended Trust model.

For each strategy, please decide whether it is going to be significantly aided by the Function.

A Strong Economy	No
Safety And Opportunity For All Children	Yes
Children A Great City To Grow Up In	Yes
Thriving Local Communities	No
Health - A Great City To Grow Old In	No
A Modern Council	No
Housing - A Great City To Live In	No
Jobs And Skills - A Great City To Succeed In	No

2.2 Individuals affected by the policy

Will the policy have an impact on service users/stakeholders?	Yes

Comment:
Since 1999 there have been longstanding issues with the sustained delivery of children's services in Birmingham by the Council and whilst improvement is progressing it still has a way to go before the service becomes excellent.

In 2014, Professor Julian Le Grand, on behalf of the then Minister, concluded that there were serious structural, practice and governance issues affecting children's services in Birmingham.

In June 2016, a report of the Improvement Quartet acknowledged both the significant improvement progress since Le Grand in 2014 and the need to explore a structural and cultural change so as to provide better sustainable outcomes for children in Birmingham.

Deloitte, commissioned by the Council, identified in their July 2016 report 'a case for change' six key 'root causes' challenging the Council's ability to deliver a sustainable and improved children's service at pace. The Trust design needs to be able to facilitate positive responses to these root causes. In summary these are:
. focus on children: time spent interacting with other council functions caused a lack of attention on children's services.
. partnering and commissioning: a lack of shared visions across council functions and with key partners; more collaboration and single focus needed.
. recruitment and retention: impact of reputational and legacy issues, unattractive/un-competitive reward package and lack of dedicated/focussed support service functions impacting on successful and sustained recruitment and retention of qualified social workers.
. workforce capability: the need to align workforce capability with service delivery, the need to build a strong framework for learning which is peer led and embedded into day-to-day practice.
. organisational agility: the need to become demand led versus the need to respond to

budgetary cuts and the distraction of responding to external pressures.
. technology, digital and analytics; the need for an exclusive IT focus, unencumbered by corporate processes and initiatives in order to provide a better understanding about the needs of children and young people.

The chosen design will improve the quality and effectiveness of services to vulnerable children and families in Birmingham.

Will the policy have an impact on employees?	Yes

Comment:
The recommendation for the Trust is that it is created based on the wholly owned company model with elements of the employee owned mutual model. Therefore the principal potential impact identified to date has been that upon staff. An initial estimate is that this could affect as many as 2,000 members of staff currently employed by the City Council.

To date staff feedback has been invited in a number of ways. The Children's Trust mailbox (childrenstrust@birmingham.gov.uk) has been available for staff to use to submit queries and comments since July. Engagement sessions have been held since July at Tally Ho, Lancaster Circus, Lifford House, New Aston House and Sutton New Road at which comments were invited from staff about the proposed scope of core and non-core services. Staff were also invited to be part of a staff reference group and the first meeting of this was held at the start of November.

Will the policy have an impact on wider community?	Yes

Comment:
The recommended model for the Trust is a wholly owned company model, with elements of the employee owned mutual model.

It is recommended that the future Trust be a community interest company in which the primary purpose is to benefit the community and not its shareholders, directors or employees.

2.3 Relevance Test

Protected Characteristics	Relevant	Full Assessment Required
Age	Relevant	No
Disability	Relevant	No
Gender	Relevant	No
Gender Reassignment	Not Relevant	No
Marriage Civil Partnership	Not Relevant	No
Pregnancy And Maternity	Not Relevant	No
Race	Not Relevant	No
Religion or Belief	Not Relevant	No
Sexual Orientation	Not Relevant	No

2.4 Analysis on Initial Assessment

The recommendation for the Trust is that it is created based on the wholly owned company model with elements of the employee owned mutual model. Therefore the principal potential impact identified to date has been that upon staff. Based on initial thoughts about the Trust's scope, an initial estimate is that this could affect as many as 2,000 members of staff currently employed by the City Council.

Issues to be addressed include final recommendations upon scope and discussions about how staff might transfer from the City Council into the new Trust entity.

The protected characteristics of age, gender and disability have been identified as being potentially relevant, this is

about staff and users, the latter being predominantly children and young people.

3 Full Assessment

The assessment questions below are completed for all characteristics identified for full assessment in the initial assessment phase.

3.1 Age - Assessment Questions

3.1.1 Age - Relevance

Age	Relevant

Comment:
Once the scope of services has been agreed, the detailed work of identifying the attributes of the relevant staff can begin.

Age is identified as being one of the protected characteristics that may be relevant.

3.1 Disability - Assessment Questions

3.1.1 Disability - Relevance

Disability	Relevant

Comment:
Once the scope of services has been agreed, the detailed work of identifying the attributes of the relevant staff can begin.

Disability is identified as being one of the protected characteristics that may be relevant.

3.1 Gender - Assessment Questions

3.1.1 Gender - Relevance

Gender	Relevant

Comment:
Once the scope of services has been agreed, the detailed work of identifying the attributes of the relevant staff can begin.

Gender is identified as being one of the protected characteristics that may be relevant.

3 Concluding Statement on Full Assessment

The Initial Assessment has been updated. The principal potential impact identified to date has been that upon staff. Based on initial thoughts about the Trust's scope, an initial estimate is that this could affect as many as 2,000 members of staff currently employed by the City Council. Issues to be addressed include final recommendations upon scope and discussions about how staff might transfer from the City Council into the new Trust entity. As proposals become clearer a Full Assessment will begin.

4 Review Date

31/01/17

5 Action Plan

There are no relevant issues, so no action plans are currently required.

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	**CABINET**	
Report of:	**Strategic Director for People**	
Date of Decision:	**24 January 2017**	
SUBJECT:	**ELMS FARM PRIMARY SCHOOL – FULL BUSINESS CASE AND CONTRACT AWARD**	
Key Decision: Yes	**Relevant Forward Plan Ref: 002981/2017**	
If not in the Forward Plan: (please "X" box)	**Chief Executive approved** ☐ **O&S Chairman approved** ☐	
Relevant Cabinet Member(s) or Relevant Executive Member for Local Services:	**Cllr Brigid Jones - Children, Families and Schools** **Cllr Majid Mahmood – Cabinet Member for Value for Money and Efficiency**	
Relevant O&S Chairman:	**Cllr Susan Barnett - Schools, Children and Families** **Cllr Mohammed Aikhlaq – Corporate Resources & Governance**	
Wards affected:	**Sheldon**	

1. Purpose of report:

1.1 To inform members of the proposed capital scheme at Elms Farm Primary School that will result in the replacement of the structurally unsound concrete cladding at an estimated cost of £1,109,885. This scheme was included in the Schools' Capital Programme 2016-17 approved by Cabinet on 28th June 2016.

1.2 A private report on this agenda contains further financial information and seeks approval to the Full Business Case and to place orders for works with the preferred contractor.

2. Decision(s) recommended:

That Cabinet:

2.1 Note the content of this report

Lead Contact Officer(s):	Jaswinder Didially - Head of Education Infrastructure
Telephone No:	07825 117334
E-mail address:	jaswinder.didially@birmingham.gov.uk

3. Consultation

3.1 Internal

The Leader has been consulted and agrees that the proposals may go forward for an executive decision. South Yardley Ward Councillors and the Executive Member for the South Yardley District have also been consulted and support the proposal contained within the report. Officers from City Finance, Procurement and Legal Services have been involved in the preparation of this report.

3.2 External

All pupils, parents, governors, teaching and non-teaching staff have been consulted regarding the build proposals. Responses received were supportive of the proposal. There is no requirement for statutory consultation.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

These works are to ensure that all pupils are provided with a safe and secure teaching environment. The spending priorities proposed are in accordance with the Schools' Capital Maintenance Programme 2016-17 approved by Cabinet on 28th June 2016. Works will contribute to Council Business Plan and Budget 2016+, particularly Safety and opportunity for all children, by every child having a fantastic childhood and the best preparation for adult life. CWM Contractors have signed up to the principles of the Birmingham Business Charter for Social Responsibility (BBC4SR) which will form part of the conditions of this contract. Prior to contract award, an action plan proportionate to the contract sum will be agreed with them on how the charter principles will be implemented and monitored during the contract period.

4.2 Financial Implications
(Will decisions be carried out within existing finance and Resources?)

The capital costs for the proposed works at Elms Farm Primary School are £1,109,885. The detailed breakdown of this cost is included in the private report. The works will be funded from the Schools' Capital Maintenance allocation. Consequential revenue costs arising, including any on-going day to day repairs and maintenance, will be the responsibility of Elms Farm Primary School and funded from its own delegated budget.

4.3 Legal Implications

This report facilitates the discharge of functions contained within section 22 of the School Standards and Framework Act 1998 whereby the local authority has a duty to maintain schools, this includes expenses relating to premises.

4.4 Public Sector Equality Duty

A Full Equality Analysis (EA0001202) was carried out in May 2016 for Education and Skills Infrastructure's Education Development Plan and Schools' Capital Programme 2016–2017. The outcomes from consultation demonstrate that proposed capital developments support positive outcomes for children, young people, their families and carers. No negative impact on people with Protected Characteristics was identified.

5.	Relevant background/chronology of key events:
5.1	The Local Authority has a statutory duty to ensure children have a safe and secure teaching environment.
5.2	Elms Farm Primary school was built in the mid to late sixties. In 2015 a site visit from Acivico structural engineers found the external concrete cladding to be showing signs of ageing and degradation.
5.3	Due to the serious health and safety risks of falling concrete, all loose concrete was removed from site and all areas made safe until a suitable solution could be found. Unplanned expenditure of £37k was incurred in undertaking these works and these costs are included in the overall project total.
5.4	The proposed works at Elms Farm Primary School consists of the removal of concrete cladding panels which will be replaced with weather resistant fibre board cladding.
5.5	A Planning Application for this scheme has been submitted and approval granted on 5th September 2016.
5.6	The project team, in close consultation with the client, has discussed and agreed arrangements in order to ensure absolute health and safety provisions are in place and disruption is minimised. These arrangements have been agreed by Acivico's Construction, Design and Management (CDM) Co-ordinator. All parties are also committed to ensuring that the educational outcomes for the children will not be adversely affected whilst the construction work is in progress. It is anticipated that in order to best achieve keeping teaching staff and pupils isolated from work in progress as much as possible, there may be an amount of decanting within the school as classrooms are finished and others started. Any costs associated with the decant will be contained within the overall construction cost. The project is expected to be delivered within budget but any unexpected increase in costs will be dealt with in line with the solutions identified in Appendix B (Risk Assessment).
5.7	The procurement route for delivery of this scheme is a direct allocation under the Constructing West Midlands (CWM) Framework Lot 7. Further details are included in the private report. The selected contractor will work with Acivico who are acting as Project Manager.
5.8	Following approval of this report an order will be placed with the selected contractor, with works commencing in February 2017. These works should be completed by December 2017.

6.	Evaluation of alternative option(s):
6.1	The option of doing nothing would mean the City Council would fail to meet its statutory obligation to provide a safe and secure environment for the pupils at Elms Farm Primary School.

7.	Reasons for Decision(s):
7.1	To approve the works at Elms Farm Primary School and to place orders to progress the proposed works in order to ensure a safe and secure environment for pupils.

Signatures		**Date**
Cabinet Member Children, Families and Schools Councillor Brigid Jones	…….	…….
Cabinet Member Value for Money and Efficiency Councillor Majid Mahmood	…….	…….
Strategic Director for People Peter Hay	……..	……...

List of Background Documents used to compile this Report:
Schools' Capital Programme 2016-17 - Cabinet June 2016. Birmingham Business Charter for Social Responsibility.

List of Appendices accompanying this Report (if any):
A FBC Document B Risk Assessment C Stakeholder Analysis D Milestone Dates and Resources

Report Version	**V6**	**Dated**	**12th January 2017**

Full Business Case (FBC)			
1. General Information			
Directorate	People	**Portfolio**	Children, Families and Schools
Project Title	ELMS FARM PRIMARY SCHOOL	**Project Code**	
Project Description	The project consists of the replacement of the structurally unsound concrete external cladding to the school building. The works will address a major structural fault and, at the same time, maximise energy efficiency, which will comply with current building regulation standards.		
Links to Corporate and Service Outcomes	***Which Corporate and Service outcomes does this project address:*** ▪ Council Business Plan and Budget 2016+; ▪ **Safety and opportunity for all children** ▪ Every child having a fantastic childhood and the best preparation for adult life. Children will benefit from an integrated early years and health service, and be well prepared to start formal education. ▪ **A great future for young people** ▪ No young person left behind, and education and employment used to address inequality and introduce fairness. ▪ • A City for Young People, Learning and Skills..		
SCHOOLS' CAPITAL PROGRAMME 2016-17	**Cabinet**	**Date of Approval**	28th June 2016
Benefits Quantification Impact on Outcomes	**Measure**		**Impact**
	The project will enable Elms Farm Primary School to operate in a safe and secure environment		Addressing a major structural fault and potential Health & Safety risks, will allow the school to provide a safe and secure teaching and learning environment.
	The new cladding will replace the current time expired concrete cladding and address the structural fault in line with technical recommendations. It will also maximise energy efficiency, complying with current Building Regulation standards.		Annual energy costs will be reduced, leading to lower bills and supporting Birmingham's climate change and sustainability strategies.
Project Deliverables	To address structural cladding defects and allow for a safe and secure environment in which to teach.		
Scope	Replacement of external concrete cladding.		
Scope exclusions	All of the other areas of the school not specifically mentioned in the Project Description		
Dependencies on other projects or activities	• Placing orders with Contractors during January 2017 • Discharge Planning conditions • Birmingham Business Charter for Social Responsibility (Action Plan to be finalised)		

Achievability	• Scope of work identified • Site investigation reports have shown no abnormal site conditions • Development of Programme and costs in progress • Funding is in place • Planning Consent Obtained • Availability of resources • Professional team and contractors have experience of delivering similar projects			
Project Manager Project Officer	Keith Cooper			
Budget Holder	Jaswinder Didially 07825 117334,	Head of Education Infrastructure jaswinder.didially@birmingham.gov.uk		
Sponsor	Mike Khanehkhah 07825 117334	Head of Asset Management Mike.Khanehkhah@birmingham.gov.uk		
Project Accountant	David England 0121 675 7963	Lead Officer, Education & Skills Infrastructure david.england@birmingham.gov.uk		
Project Board Members	Jaswinder Didially 07825 117334 Anil Nayyar 0121 675 3570	Head of Education Infrastructure jaswinder.didially@birmingham.gov.uk Head of City Finance CYPF anil.nayyar@birmingham.gov.uk		
Head of City Finance (H. o. CF)	Anil Nayyar		**Date of HoCF Approval:**	

3. Checklist of Documents Supporting the FBC		
Item	**Mandatory attachment**	**Number attached**
Financial Case and Plan		
• Detailed workings in support of the above Budget Summary (as necessary)	Mandatory	Included above (Appendix A)
• Statement of required resource (people, equipment, accommodation) – append a spreadsheet or other document	Mandatory	Appendix D
• Milestone Dates/ Project Critical Path (set up in Voyager or attached in a spreadsheet)	Mandatory	Appendix D
Project Development products		
• Populated Issues and Risks register	Mandatory	Appendix B
• Stakeholder Analysis	Mandatory	Appendix C

Appendix B - RISK ASSESSMENT

Risk	Likelihood of risk	Severity of risk	Effect	Solution
Building costs escalate	Low	Medium	The cost of the works would be more than the funding available	EdSI will work closely with Elms Farm Primary School and Acivico to monitor the schedule of works and build cost, any deviation from this will be scrutinised and if necessary the scheme will be value engineered to bring it back into budget.
Building works fall behind	Medium	Medium	Deadlines not met	EdSI will work closely with Elms Farm Primary School, Acivico and contractors to review the programme and if necessary put in place mitigation measures.
BCC faced with increasing revenue costs	Low	Low	Increased pressure on the revenue budget	Elms Farm Primary School will meet all revenue costs and day to day repair and maintenance costs from their delegated budget share.

Appendix C

STAKEHOLDER ANALYSIS

Cabinet Member for Children, Families and Schools
Cabinet Member for Value for money and Efficiency
Head Teacher
School Leadership team
Pupils
Parents
School Governors
Consultant partners (Acivico)
Contractor
EdSI
Executive Member and Ward Councillors

DEGREE OF INFLUENCE

High influence ← Low influence

	High influence	Low influence
High importance	• Cabinet Member for CFS and VfM&E • EdSI • School Leadership Team (including Governors) • Executive Member and Ward Councillors • Consultant partners (Acivico) • Contractor	• Parents • Pupils
Low importance		

Stakeholder	Stake in project	Potential impact on project	What does the project expect from stakeholder	Perceived attitudes and/or risks	Stakeholder management strategy	Responsibility
Cabinet Member for CFS and VfM&E	Strategic Overview of School Condition Programme	High	Ratification of CYP&F	Strategy not approved	Early Consultation and Regular Briefing on all aspects of School Condition Programme	BCC / EdSI
School Leadership Team / Governors	End Users delivering high quality education	High	Ongoing involvement in the design meetings and revenue costs for R&M once build complete	End users feel that the building structural issues need to be addressed	Regular project meetings and ensuring that end users views are incorporated in design process	School Leadership Team / Governing Body EDSI Project Officer
Pupils and Parents	End user	Low	Consultation	Nil	Through schools council	School Leadership Team
Executive Members and Ward Councillors	Knowledge of other developments affecting local communities that may link into project	High	Consultation with community and support for project	Objections from local residents	Involve in consultation	EDSI Project Officer Governors/ School Leadership Team
Consultant Partners (Acivico)	Delivery	High	Project Management	Unable to deliver to timescales	Close working with other stakeholders/ regular feedback	Acivico Project Manager
Contractor (CWM Framework)	Maintenance works	High	Works to budget within timescales	Unforeseen costs/delays	Target costs to include Tier 1 & 2 risks. Contractors selected with previous experience and resources	Client Acivico Project Manager EdSI Project Officer QS

Appendix D MILESTONE DATES and RESOURCES

Stage 3 detailed design proposals	November 2016
Final target costs agreed with contractor	November 2016
Planning Approval	5th September 2016
FBC and Contract Award Report – Cabinet Approval	January 2017
Orders placed with contractor	January 2017
Commencement of works	February 2017
Completion of works	December 2017
Post Implementation Review	December 2018

STATEMENT OF RESOURCES REQUIRED

People	School's Project Team Quantity Surveyor Project Officer Administrators	Design /Architect Technical Officers Contractors/Sub contractors Clerk of works
Equipment (to enable works)	Specialist equipment provided by contractor relevant to the requirements for the construction works.	

PROGRAMME TEAM

Name	Designation	Telephone
Jaswinder Didially	Head of Education and Skills Infrastructure	07825 117334
David Anderson	Architect - Acivico	303 7663
Glenn Jones	Project Manager – Acivico	675 9504
Imran Salam	Quantity Surveyor - Acivico	675 9489
Keith Cooper	Asset Management Officer – Education Skills and Infrastructure	303 8847
Beth Gallagher	Head Teacher – Elms Farm Primary School	0121 464 4634

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	**CABINET**
Report of: **Date of Decision:**	**Strategic Director for People** **24th January 2017**
SUBJECT:	**BIRMINGHAM ADULT SOCIAL CARE PEER CHALLENGE 14th-16th NOVEMBER 2016**
Key Decision: Yes	**Relevant Forward Plan Ref: 002971/2017**
If not in the Forward Plan: **(please "X" box)**	**Chief Executive approved** ☐ **O&S Chairman approved** ☐
Relevant Cabinet Member(s)	**Councillor Paulette Hamilton - Health & Social Care**
Relevant O&S Chairman:	**Cllr John Cotton – Health, Wellbeing & the Environment**
Wards affected:	**All**

1. Purpose of report:

1.1 This report details the findings arising from a West Midlands Association of Directors of Adult Social Services (ADASS) Peer Challenge which took place in Birmingham from 14th - 16th November 2016, as part of a commitment that it should be available in public.

2. Decision(s) recommended:

That Cabinet:-

2.1 notes the findings of the November 2016 Peer Challenge and the proposed action plan.

Lead Contact Officer(s):	Peter Hay Strategic Director for People
Telephone No: **E-mail address:**	0121 303 2992 peter.hay@birmingham.gov.uk

3. Consultation

3.1 Internal

The Cabinet Member for Health and Well & Social Care, along with officers from Legal & Democratic Services, City Finance and Directorate for People Management Team have been consulted and involved in the preparation of this report.

3.2 External

The action plan has been developed in conjunction with colleagues from West Midlands ADASS in response to their findings.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

Adult Social Care contributes to the Council of the Future theme of "Health – a great city to grow old in".

4.2 Financial Implications

The Peer Challenge recognised the scale of the financial challenge facing Adult Social Care with a cumulative budget reduction of £152m since 2011 and the need for further savings to be delivered. The financial context and the ability of the Council to mitigate the risks that this poses to our ambitions was a key theme of the review.

4.3 Legal Implications

The Care Act 2014 together with associated regulations and guidance gives the power and duty to provide services to meet assessed eligible need for care and support to individuals.

4.4 Public Sector Equality Duty

An Equality Impact Assessment is not required; however the findings of the Peer Challenge may be used to inform other assessments as required.

5. Relevant background/chronology of key events:

5.1 As part of the sector led approach to performance in adult social care, a process of peer review has been developed to ensure independent oversight and challenge of Council performance. The first use by the Council of a peer review in adult social care was undertaken by a Local Government Association (LGA) team in March 2013 (key decision 480996 refers).

5.2 Since then, the West Midlands Association of Directors of Adult Social Services (ADASS) have developed regional peer review arrangements. This is the second WMADASS Peer Challenge (key decision 541989 refers to the first review undertaken in February 2015).

5.3 The Peer Challenge team, led by the DASS from Wolverhampton and supported by a Cabinet Member and an expert by experience from Solihull together with an NHS colleague and Assistant Directors from a number of local authorities and a Programme Manager from ADASS were on-site from 14th – 16th November 2016. The programme included:

- Interviews and discussions with Councillors, officers and partners – over 90 people met with the peer challenge team in 30 separate sessions and 11 different locations in 3 days.
- Focus groups with managers, practitioners, frontline staff, carers and people who use services.
- A case file audit undertaken by principal social workers.
- Visits to community facilities.
- Reviewing documents provided by the Council, including a self-assessment of progress, strengths and areas for improvement (see Appendix 1).

5.4 The Peer Challenge considered the following scope:

"As a Peer Challenge team we want to find out if Birmingham City Council have a clear understanding of where they are currently with the quality, management of risk, consistency and value for money of adult social care practice and delivery, to explore what the Directorate, City Council and local NHS partners can do to help them deliver more person-centred, asset-based approaches to help their adult citizens to remain independent, for longer."

5.5 The Peer Challenge Team made many positive observations, including:

- A new city vision and plan that has Older People as one of the four priorities – "a great city to grow old in"
- Clear programme management approach with political leadership for the Maximising Independence of Adults programme
- Sustained strong performance and process in adult safeguarding
- Work commenced to develop a framework for Adult Social Care provision
- Aspiration to support a Birmingham Care Wage
- Positive joint working in the last 12 months across Health and Social Care, good frontline working relationships and growing joint working on pathways and shared protocols between Health and Social Care
- Staff that we met were positive, enthusiastic, knowledgeable in their field and open to scrutiny and challenge
- Responsiveness of the Standard service
- Use of telephone assessment

5.6 A number of areas for consideration were also identified:

- Financial grip – improve financial monitoring, deliver identified savings
- Strengthen the relationship between commissioning and delivery and improve engagement with stakeholders including carers
- Maximising Independence of Adults programme – increase the scale and pace of delivery
- Health relationship/integration – translate initial thinking into a credible vision for an integrated place-based health and social care system in Birmingham

- Maximise the potential of an asset-based approach with the voluntary and community sector to transform model of social work – particularly in relation to prevention
- Strengthen the interface between Adult Social Care and the corporate centre to realise the ambition for Birmingham to become “a city that cares” and a “great city to grow old in”.

5.7 The Peer Challenge Team Feedback Letter can be found in Appendix 2. An Action Plan, in response to the findings can be found in Appendix 3.

6. Evaluation of alternative option(s):

6.1 Not applicable.

Signatures		**Date**
Councillor Paulette Hamilton Cabinet Member for Health and Social Care	…….	…….
Peter Hay Strategic Director for People	……..	…….

List of Background Documents used to compile this Report:

1. Self -Assessment – BCC, October 2016
2. “Adult Social Care Peer Review” – BCC Cabinet, 16th March 2015

List of Appendices accompanying this Report (if any):

1. Self-Assessment
2. Peer Challenge Feedback Letter
3. Action Plan – To Follow

Report Version	**V3**	**Dated**	**10/01/2017**

West Midlands

Self-Assessment

Incorporating TEASC

Risk Awareness Tool

Birmingham City Council

October 2016

Name of DASS Contact:

Alan Lotinga

Address:

Directorate for People

Birmingham City Council

10 Woodcock Street

Zone 6 - 1st Floor

Birmingham

B7 4BG

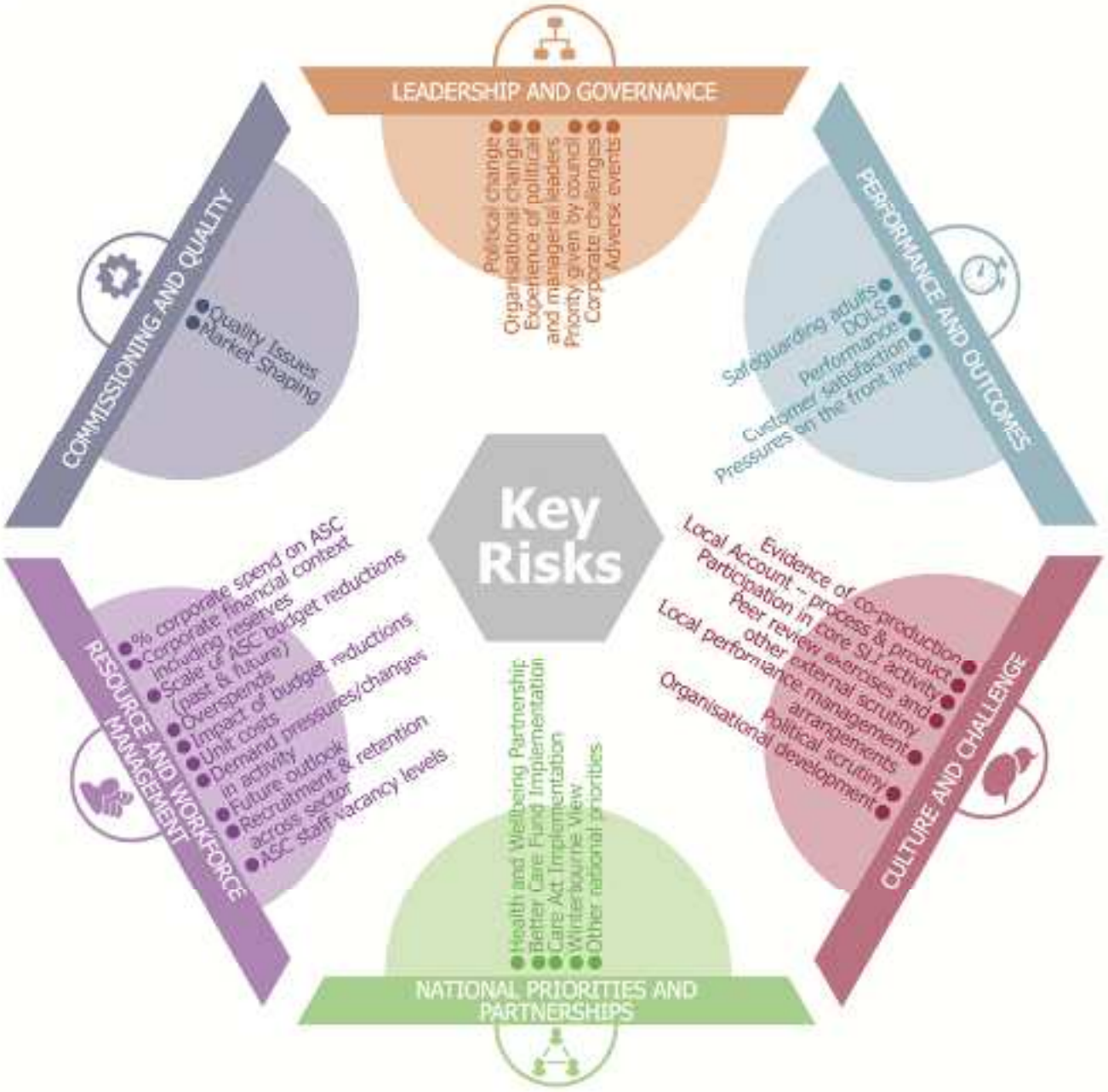
Telephone:

Email:

Narrative on process for completion of this form including who has been involved:

Date self-assessment completed: 31st October 2016

Signed/Agreed on behalf of the Local Authority:


LEADERSHIP AND GOVERNANCE
Political change
Organisational change
Experience of political and managerial leaders
Priority given by council
Corporate challenges
Adverse events
COMMISSIONING AND QUALITY
Quality Issues
Market Shaping
PERFORMANCE AND OUTCOMES
Safeguarding adults
DOLS
Performance
Customer satisfaction
Pressures on the front line
Key Risks
RESOURCE AND WORKFORCE MANAGEMENT
% corporate spend on ASC
Corporate financial context including reserves
Scale of ASC budget reductions (past & future)
Overspends
Impact of budget reductions
Unit costs
Demand pressures/changes in activity
Future outlook
Recruitment & retention across sector
ASC staff vacancy levels
CULTURE AND CHALLENGE
Evidence of co-production
Local Account – process & product
Participation in core SLF activity
Peer review exercises and other external scrutiny
Local performance management arrangements
Political scrutiny
Organisational development
NATIONAL PRIORITIES AND PARTNERSHIPS
Health and Wellbeing Partnership
Better Care Fund Implementation
Care Act Implementation
Winter Journey View
Other national priorities

Birmingham City Council Overview

Population

- Over 1.1 million people live in Birmingham (1,101,360 based on the 2014 mid-year population estimate).
- According to the 2011 Census around 42% of residents were from an ethnic group other than White.
- 46.1% of Birmingham residents said that they were Christian, 21.8% Muslim with 19.3% having no religion.
- 22% of our residents were born outside of the UK, compared with 14% in England and 11% in the West Midlands region.
- The number of births in Birmingham has risen steadily over the last 10 years, now levelling off at around 17,500 births per year.
- Fertility rates are higher in Birmingham than the national average, but have shown a similar trend over recent years.

Households

- Birmingham already has a larger than average household size and a high proportion of overcrowded households than the country as a whole.
- The population is expected to grow by a further 150,000 people by 2031, and it is estimated that the city will need a further 80,000 houses by this time.

Health

- Life expectancy for both men and women is lower than the England average.
- There are significant gaps in life expectancy across Birmingham too – 9 years difference in overall life expectancy between some areas (10 years for men and 7 for women)
- Premature mortality (deaths under age 75) has fallen steadily over the last decade in line with national trends.
- Birmingham has significantly high rates for many disease – for example diabetes rates are significantly higher than average
- Health partners are seeing increasing demand, for example there has been an increase in A & E attendance throughout 2016 across the city's hospitals. In September 2016, A&E attendances were higher at UHB (11%), HEFT (5%) and BCH (13%) than September 2015.

Healthy Lifestyles

- Injuries due to falls in the over 65 cohort are much higher than the average
- Levels of smoking are better than the England average
- Higher proportion of inactive adults
- Adults who feel socially isolated much higher than national average

Performance and Outcomes

Performance

Adult Social Care Service uses a variety of quantitative and qualitative information to monitor its performance, as well as benchmarking performance against other local authorities. This includes the Adult Social Care Outcomes Framework along with local information and statutory surveys.

At the highest level, ASC performance measures are a fundamental part of the Council-wide performance management framework – with 3 key ASC performance measures embedded within the Council Business Plan – measures that were agreed through a wide consultation including with our citizen voice function.

Performance Summary

Strengths and Improvements

- An increasing trend in terms of older adults who now receive care in their own home – a significant reduction in the proportion of older adults admitted into residential or nursing care over the last year;
- Delayed Transfers of Care –performance has stabilised over the last 12 months at a time when the national trend has been negative;
- Good processes for dealing with safeguarding enquiries;
- Improvements to carers perceptions of involvement and in making information more accessible;
- 89% of service users say that the support they receive makes them feel safe;
- Improvements to the proportion and timeliness of reviews;
- Improved performance at the initial point of customer contact – Adults and Communities Access Point.
- Proportion of adults with learning disabilities who live at home;

Areas for Improvement

- Take-up of direct payments remains relatively low;
- Delayed Transfers of Care – although it should be noted that performance has stabilised over the last 12 months at a time when the national trend has been negative;
- Slightly lower proportion of Care Homes classed as Outstanding or Good (63% vs 68% nationally) – with particular issues in the older adult market;
- Customer satisfaction with care and support;
- Better targeting of short term services to maximise independence;
- Social isolation of service users.

Overall ASCOF Position

Analysis of ASCOF data indicates that Birmingham is below average across a number of measures and in terms of a national ranking is one of the poorest performing authorities. Although this should be seen against the context of the city – its size, deprivation and financial challenges- it is clear that there are significant challenges that need to be addressed.

	Younger Adult Admissions to Residential / Nursing		Older Adult Admissions to Residential / Nursing		65+ service users still at home 91 days after enablement following hospital discharge		65+ Reablement after hospital discharge		Delayed transfers of care from hospital		Delayed transfers of care from hospital that are attributable to adult social care		Clients receiving ST Maximise who received no, or lower level, services		Service user satisfaction with care and support		Service Users - ease of accessing advice and information		Service users who feel safe		Service users who say support has made them feel safe	
	2A(1)		2A(2)		2B(1)		2B(2)		2C(1)		2C(2)		2D		3A		3D(1)		4A		4B	
Authority	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16
Birmingham	16	16.3	781	663	77.3	75.2	3	3.2	20.5	17	11.3	9.9	48.7	51.1	60.5	57.2	69.8	71	70.8	68.2	89.6	89.3
Bolton	13.1	13.7	985	978	79.9	76.1	4.5	2.2	6.9	9.8	2	2.4	80.2	80.7	61.2	62.6	74	69	52.6	61.9	68.3	72.5
Bradford	7	14	718	506	88.8	88.2	2.1	2.8	3.7	3.2	0.8	0.1	54.4	64.8	62.5	63.1	73.3	70.8	70.7	73.2	82.3	84.7
Coventry	11	25.8	706	731	76	81	4.5	1.5	24.2	22.1	11.8	7.3	70	67.2	64.9	61.6	75.3	69.5	75.8	69.8	85.6	86
Derby	2.6	3.7	593	600	90.7	89.5	3.7	3.1	10.7	11.3	1	1.8	71.3	86	65	58.1	71.3	70.2	69.7	67.6	86.2	84.9
Kirklees	11.1	16.4	503	518	94.1	89.1	1.8	1.1	9.8	10.7	1.2	2.6	73.2	78	59.3	62	72.6	72.2	61.7	69.3	75.3	76.2
Leeds	11.1	7.9	764	727	81.3	84.8	4.6	4.4	12.7	15	3.9	4	64.4	69.8	63.2	66	70.4	77.6	67.3	70.9	86.5	83.6
Leicester	13.3	16.3	727	644	84.3	91.5	3.7	3.1	12.9	5.9	4.3	1.7	61	60.5	58.9	61.7	61	61.7	58.3	60.8	75.4	80.7
Liverpool	17.8	14.2	753	774	75	78.4	2.8	3.2	9.2	12.4	3.3	6.1	49.1	64.3	69.5	61.5	75.6	68.5	70.4	66.9	91.8	86.4
Luton	9.2	20.3	306	395	78.9	84.4	3.7	2.9	9.1	5.7	4.1	3.4	66.7	86.3	55.8	59	67.9	66.6	62.1	64	74.6	74.6
Nottingham	24.5	18.2	773	675	80	74.7	0.7	1.6	11.3	15.2	2.5	2.2	49.7	40.5	61.1	68	63.3	75.4	64.5	69.6	79.6	84
Oldham	12.6	15.4	797	859	93.4	89.8	1.6	1.7	4.3	4	0.8	1.1	59.2	84.9	61.2	61	70.5	71	67.5	60.8	83.5	79.7
Sandwell	11.5	14.6	1117	1002	68.4	63.8	3.2	3.2	12.7	7.3	4.7	4.2	63.5	64.7	66.2	70.1	82.2	83.4	77.3	75.6	85.4	90.4
Sheffield	14	21.6	730	988	78.5	76.7	4.9	8.9	15.2	15.7	7.4	7.7	78.5	72.7	59.8	52.3	65.7	66.7	63.6	62.5	81.5	87.2
Walsall	6.8	4.5	480	551	77.2	80.1	4.4	4.3	8.8	9.5	4.1	7.9	77.3	75.2	64.1	62.1	74	68.1	75.5	71.3	91	88.5
Wolverhampton	21.6	15	644	700	80.6	75.6	6.1	3.8	10.5	21.6	4.9	15.4	82.5	80.7	69	65.9	79.1	75	74.8	71.7	84.4	85.5
B'ham Ranking	13	11	13	7	11	13	11	5	15	14	15	15	16	15	12	15	12	6	5	10	3	2
National Avg	14.2	13.3	669	628	82.1	82.7	3.1	2.9	11.1	12.1	3.7	4.7	74.6	75.6	64.7	64.4	74.5	73.5	68.5	69.2	84.5	85.4

	Service users quality of life		Service user control over daily life		Client Self Directed Support		Carer Self Directed Support		Client Direct Payment		Carer Direct Payment		LD Employment		MH Employment		LD Accommodation		MH Accommodation		Service users with as much social contact as they would like	
	1A		1B		1C(1A)		1C(1B)		1C(2A)		1C(2B)		1E		1F		1G		1H		1I(1)	
Authority	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16
Birmingham	18.9	18.8	73.5	71.1	100	100	100	97.5	18	19.6	98.7	95.8	1	0.8	5	5.1	35.3	53.8	63.8	69.4	41.5	44.6
Bolton	18.2	18.3	73.7	72.5	97.1	96.7	98.6	94.6	31.4	36.9	79.9	27.7	2	2.1	6	7.2	82.4	93.6	47	79.5	36.4	40.2
Bradford	19.4	19.5	77.6	79.2	79.4	96.8	100	82.5	34.8	17.5	100	81.9	4.9	5.5	7	8.1	84.4	86.3	66.5	69.1	52.2	51.3
Coventry	18.8	19.2	76.2	73.4	82.2	80.2	47	41.9	70.5	21	47	41.9	4.9	3.7	11.1	12.2	81.7	76.3	74.6	70.6	43.1	47.7
Derby	18.9	19.1	79.1	79.5	99.1	100	100	100	38	41.9	100	100	7.1	6.9	7.9	6.9	79.3	81.1	58.4	81.3	42.7	42.3
Kirklees	18.2	18.7	72.7	74	88.9	95.5	-	0.5	40.7	35.2	-	0.5	10.4	10.2	8.1	8.3	83.2	80.3	67	60.5	39.7	42.7
Leeds	18.9	19.2	77.3	73.7	82.3	94.9	73.1	97.4	16.9	18.9	88.8	91.3	7	6.4	10.7	9.9	70.8	65.5	54.2	51.1	44.3	45.2
Leicester	17.9	18.1	67.2	70.5	96.2	98.7	100	100	41.3	44.4	100	100	8.9	5.2	1.8	2.9	69.8	71.8	35.8	62.3	35.6	37.2
Liverpool	19.6	18.8	77.4	73.9	71.8	77.7	100	100	18.3	21.9	45.1	18.4	5.9	5.9	7.7	7.9	88	90.3	68.3	67.7	49.5	49.4
Luton	18.4	19.1	71.6	73.9	88.7	88.9	100	100	34	36.9	100	100	22.9	16.8	7.8	7	69.5	74.8	61.2	55.6	39.3	48.6
Nottingham	18.6	19.1	72.3	77.4	100	100	-	100	10.2	31.7	-	100	3.9	0.1	3.3	6.9	63.6	83.3	41.6	63.6	36.5	46.9
Oldham	18.9	18.3	74.3	69.3	97.8	100	100	100	45.6	37.9	94.1	100	0.5	1	0.7	0.1	78.4	83	35.8	2.5	45.8	37
Sandwell	19.9	19.8	80.6	78.4	92.2	96.1	-	100	33.2	38.5	-	100	3.2	1.3	5.9	5.4	79	80.4	72.3	69.7	51.5	51.4
Sheffield	18.5	18.2	73.9	71.7	71.6	85.4	68.5	100	27.3	37.1	50.5	100	3.6	3.6	5.6	5.3	86.3	84.1	74.4	69.4	41.5	40
Walsall	18.9	18.6	71.2	68.1	82.8	91.3	100	100	29.4	31.1	96.9	97.9	2.8	1.3	6	6	80.8	85.8	77.6	84.2	44.7	41.1
Wolverhampton	19.4	19.5	77.3	75.2	61.5	75.3	33.5	50	22.6	21.5	33.3	30	1.9	1.7	5.3	6.9	67.4	66.1	79.7	79.7	52.6	50.8
B'ham Ranking	5	9	11	13	1	1	1	10	14	14	5	9	15	15	12	12	16	16	10	7	8	9
National Avg	19.1	19.1	77.1	76.8	83.7	86.9	77.4	77.7	26.3	28.1	66.9	67.4	6	5.8	6.8	6.7	73.3	75.4	59.7	58.6	44.8	45.4

Performance Details

Assessment and Support Planning - Performance Pack Available on request

- In last 12 months 2,234 **Mental Capacity Act Assessments** completed – proxy data suggests that around 90% take place within 72 hours
- We are now collecting more data on **Carers Assessments** and whether they are offered by Social Work teams, than in previous years. In the past 12 months there were around 2,344 assessments across the city (this does not include assessments undertaken by the carers hub).
- **Direct Payments –** Around 20% of eligible clients currently receive a Direct Payment – this figures has remained very static for a number of years.
- **Reviews –** As of September 2016, 80% of clients receiving services have been reviewed, assessed or reassessed in the last 12 months. This is an improvement against 2015. There are large variations between ASP segments – eg. Learning Disability Team is currently at 49%, whilst North Complex Team is at 96%.

Assessment and Support Planning – Hospitals - Performance Pack Available on request

- **Delayed Transfer of Care** – the average number of delayed bed days per 100,000 of the population is 18.5 (August 2016) – above the target for the end of the year (17.8) but a slight reduction compared to 2015/16. The proportion attributed to Social Care delays has slightly increased through 2016 to date;
- Average unplanned/emergency admissions Length of Stay in hospital has reduced across the city over the last 2 years;
- Social Work teams are seeing increasing demand in hospitals - In the previous 12 months to September 2016 there were **6,769 initial assessments** and **2,800 full assessments** completed across the hospitals
- **7 day working** - The chart below shows activity taking place at the weekend. Monthly analysis over 2016 indicates that levels have fluctuated significantly on a monthly basis. This has resulted in 410 discharges since April taking place earlier than would have occurred otherwise.

Adults and Communities Access Point (ACAP) Performance Pack Available on request

- In the 12 months up to September 2016 ACAP First Response Team handled 60,753 calls;
- Over the last year the call abandonment rate has reduced from 35% to 22% (as of September 2016 - 12 month averages)
- Around 54% of cases are closed at second response. This results in reduced demand on social work teams.
- **78%** of those cases referred to a social work team are transferred within 2 weeks of contact. This an improvement from 61% last year.

Customer satisfaction
Users Survey

- In terms of ASCOF 1 Enhancing quality of life for people with care and support needs measure – Birmingham's score is on par with our comparator authorities – although it is below the national average. Younger adults have a slightly better score than older adults, and males over females
- 68% of respondents who use services feel safe, above the comparator group average although a slight fall on last year's levels.
- Almost 90% of people who use services say that those services have made them feel safe and secure.
- In terms of social isolation, 46% of respondents have as much social contact with people as they like – down slightly in the last 12 month but up from 43% in 2012/13. However this is much lower than the national average
- Nearly 72% of users feel information is easy to find – above average and an improvement on last year

Carers Survey

BCC has committed significant resources into improving information and services for carers. Whilst national data is not available for 2015/16 we can review how we are performing as an authority as outlined below :

- 1D Carer-reported quality of life- Index score based upon responses to a range of outcomes.
- 3B Overall satisfaction with social services- percentage of carers who said they were "extremely" or "very" satisfied with the support they and the person they care for have received in the last 12 months
- 3C Carers included in consultation about the person they care for- percentage of carers who said they were "always" or "usually" involved as much as they want in discussions about the support provided to the person they care for
- 3D Ease of finding information- percentage of carers who said they found it "very" or "fairly" easy to find information about support, services or benefits. This includes information from sources other than the council.

Measure	Comparator Ave (2014/15)	Birmingham (2014/15)	Birmingham (latest)
1D	7.7	7.1	7.3
3B	38.2	32.2	28.0
3C	69.7	60.5	63.6
3D	61.5	52.1	58.5

The table shows that there has been a marked improvement in measures 1D, 3C and 3D. This indicates that progress has been made in respect of involving carers in discussions about the person they care for and with regards to making information accessible for carers. However, it is concerning that carers' perceptions of the quality of the service show a negative trend.

Safeguarding adults

In 2015-16, 90% of referrals had an outcome within 28 days. In quarter 1 of 2016-17, following the introduction of a new process in April 2016, in 83% of the completed enquiries the client had been asked to express what outcome they wanted to achieve from the enquiry; this was the second highest % achieved in the 10 West Midland authority areas who reported this information, compared to a West Midlands average of 69%.

Of those enquiries where an outcome was expressed, 91% of these outcomes had been fully or partially met by the end of the enquiry (3rd highest in the region), compared to a West Midlands average of 86%.

The standard of adult safeguarding casework is audited each quarter. This includes checking that the adult has been appropriately placed at the centre of the enquiry in line with the principles of Making Safeguarding Personal.

Audit results consistently show that the standard of 85% of case files indicating good or outstanding work has been exceeded (88.1% over the last 4 quarters, with 89.5% in quarter 2; the target was exceeded through 2015/16)

Deprivation of Liberties Safeguarding

Since the beginning of 2014-15, the number of referrals for Deprivation of Liberties Safeguarding has increased by more than 10 times. While work has been ongoing throughout the period to address this increase, by the end of 2015-16 our backlog stood at 2166 (264 per 100,000 population) – with 68% of those referred in the year still being outstanding. A Best Interest Assessment Team was established to bring together all the qualified Best Interest Assessorts, a Team Manager Authoriser and 20 agency Best interest Assessors. By the end of June 2016, with new systems in place including the use of agency staff to address the backlog, this had reduced to 1689 (206 per 100,000) – with 49% of those referred in the year still outstanding. Early indications is that figures for quarter 2 of this year show even more improvements – All the backlog of requests has now been allocated.

Interface with Healthwatch

Healthwatch Birmingham has experienced some difficulties, but is now entering a phase of stability and consolidation. A permanent CEO, Andrew Cave, has been appointed and is focussed on taking the organisation forward.

In conjunction with Solihull MBC an opportunity was identified to create a joint Healthwatch to align with the Birmingham & Solihull STP. However, this looks unlikely to be taken forward at this stage and the intention is therefore to re-commission Healthwatch Birmingham from 1st April 2017.

The current performance framework seeks to consolidate the organisation; the framework from 1st April, following re-commissioning, will seek to stretch the organisation and build impact.

Leadership and Governance

Political change and context

Councillor John Clancy was elected Leader of the Council in December 2015, replacing Sir Albert Bore who had been leader of the Labour Group for the previous 16 years.

The most recent Council elections were in May 2016 when a total of 40 of the 120 seats were contested. There was no change in political control at this time, with Labour increasing its majority by 2 seats. After the election there were a number of changes in the cabinet structure – although Councillor Paulette Hamilton retained her position as Cabinet Member for Health and Social Care.

Over the next few years there is likely to be a significant change in the political makeup and structure of the Council. As a result of the "Kerslake Review" into the corporate governance of Birmingham City Council, a Boundary Commission review of Birmingham political wards was undertaken. The Commission recommended changing the number of wards from 40 to 69, with the city being represented by 101 rather than 120 members. The final recommendations of the Local Government Boundary Commission for England were published after much consultation in September 2016. To facilitate the implementation of this, all-out elections will take place in 2018.

System and organisational change and context, incl. system wide ASC focus

The Council is structured into three Strategic Directorates – People, Economy and Place. Adult Social Care forms part of the People Directorate. The other principal elements of the People Directorate are Children's Services and Education. In addition, People Directorate contains Public Health and the Commissioning Centre of Excellence. Both of these services work across all elements of the People Directorate.

The Directorate Leadership Team (DLT) meets weekly and brings together the Strategic Director, Service Directors for Adult Care, Education, Children's, Commissioning and the Director for Public Health.

The chart below shows the current structure of Adult Social Care alongside Public Health and the Commissioning Centre of Excellence.

The leadership capacity of the Adult Social Care function has recently been expanded by the appointment of an Interim Service Director for Adult Care Improvements and an Assistant Director to lead on delivery of the Maximising Independence of Adults programme.

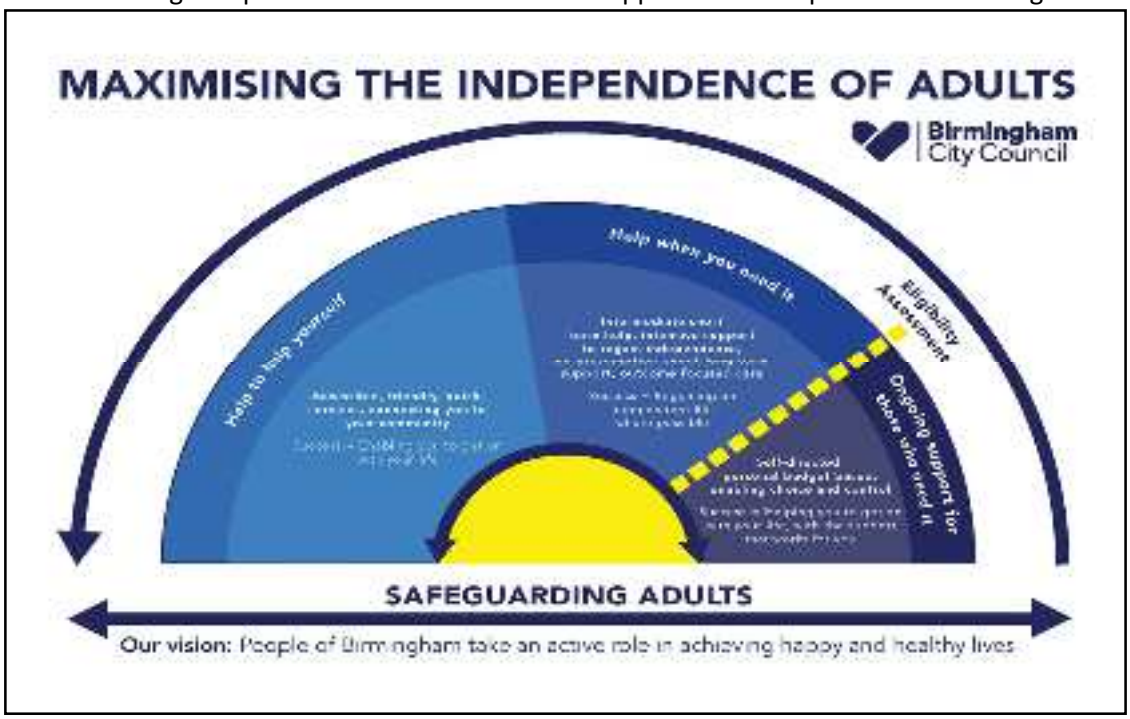
Adult Social Care is 8 years into a fundamental 10-year transformation programme. We have reviewed this programme and are considering the future operating models for Assessment and Support Planning (ASP) and Specialist Care Services (SCS).

In order to deliver its future vision for Adult Social Care and to deliver its savings target the Council has established the Maximising the Independence of Adults Programme. This builds upon the 10-year programme but reflects the wide range of new, demanding responsibilities arising from the Care Act 2014 and a number of other key national requirements and expectations. Three priorities have been identified to meet the challenge.

- Improving the Customer Journey
- Shaping the market (Service Transformation)
- Prevention

To deliver the programme we have established robust project and programme management arrangements, setting clear priorities, managing interdependencies and delivering at a pace projects which deliver benefits while minimising risk.

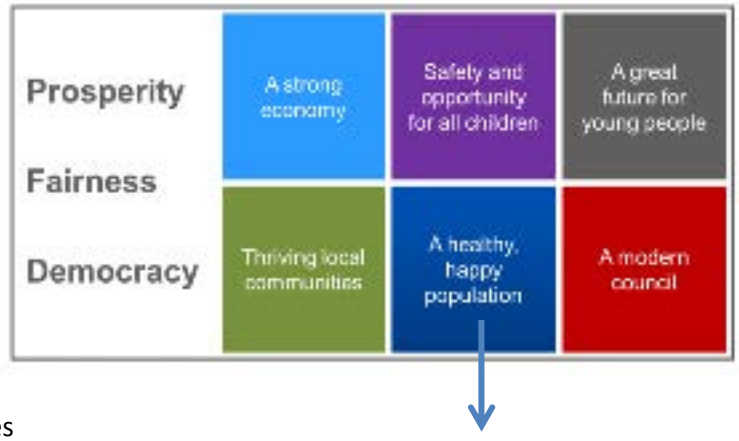
The Maximising Independence of Adults vision and approach is encapsulated in the diagram below.



Priority given by the Council to Adult Social Care

Adult Social Care is clearly visible within the council at a senior level – with the Strategic Director for People a member of the Council's Corporate Leadership Team. Given the significant financial challenge around ASC – the Council and Directorate has implemented robust measures to tackle the financial challenge through fortnightly budget meetings held with the Chief Executive, Deputy Leader and the Cabinet Member.

Adult Social Care is fully embedded in the Current Birmingham City Council Plan. There are two clear sub-outcomes relating to ASC within the "Healthy Happy Population" outcome.



Sub-outcomes

- *A seamless health and social care provision so people can get the service they require or the correct information and advice in one place, with people who need services able to access the services they need irrespective of who the provider is*
- *Citizens having greater control and independence and making informed choices about who they want to provide the care and support they require and where they want it provided; with all citizens who have an assessed, eligible care need having access to either a direct payment or individual budget.*

The Council is currently developing a new vision –"Birmingham: a city of growth where every child, citizen and place matters". This is supported by four priorities:

- Children;
- Housing;
- Jobs and Skills;
- Health.

Of these, the Council is explicit that Children are the key priority. This reflects the young profile of the City and the issues relating to failures to protect vulnerable children that the City has experienced.

The Health theme will incorporate measures relating to Adult Social Care as part of a life-course outcomes framework.

The over-riding priority to ensure that vulnerable children are properly protected has resulted in a decision to establish a Children's Trust to deliver the Council's social care responsibilities for children. The creation of the Trust will clearly impact on the structure of the People Directorate, particularly with regard to leadership capacity and support services. Similarly the landscape for Education is changing with a greater emphasis on delivery of local authority functions through the Birmingham Education Partnership. In this context the future shape of the People Directorate will need to evolve; for Adult Social Care the direction of travel is towards greater integration with Health.

Commissioning and Quality

The importance of managing risk and quality in the market through a commissioning-led approach has been recognised with the establishing of the Commissioning Centre of Excellence (CCoE) in 2015. The CCoE has responsibility for commissioning care packages for citizens from providers, managing contracts and undertaking market shaping activity with the purpose of achieving the best outcomes for citizens whilst ensuring value for money.

The Council currently commissions adult social care for approximately 7,000 citizens at any point in time from over 800 care settings in the independent care sector. These services are principally commissioned under a framework contract with mini-competition for each package of care. We also have a number of strategic block contracts for residential homes, nursing homes and Extracare services.

We employ a quality rating system for providers registered on our framework contract which is a key part of the mini-competition process. Scoring takes into account a provider self-assessment, CQC ratings and any contractual interventions undertaken by the Council, giving each provider a quality rating which is published quarterly. Quality ratings vary across sectors but by way of an example, we currently have 72.4% of home support providers rated as 'good', 20.5% 'requiring improvement' and 7.1% rated as 'inadequate'.

The Council has recently agreed to extend its framework contract which started in 2012, whilst we conduct a review of how these services are commissioned.

Market Shaping

Over summer 2016 the CCoE has engaged with the adult social care provider market to explore the following three themes:

- Defining quality;
- A Fair Price for Care; and
- Brokerage

This work is to support the re-commissioning of the adult social care framework contracts from 1st October 2017. A key element of this activity has been working with the market to begin to define a quality framework in Birmingham which proposes to remove the poorest performing providers (which fail to improve) from the new framework. This in turn could give rise to potential issues re: capacity. A further part of this work is to try and address longstanding concerns about the price Birmingham pays for adult social care and to develop an approach which the market are engaged with and that ensures the market is sustainable.

In terms of market gaps, there is evidence to suggest that complex nursing and dementia needs are increasingly being expected to be delivered in community settings. Further work is underway to review the Council's Dementia Strategy which will be fed into revised Market Position Statements at the appropriate time. Close working relationships have been developed with Clinical Commissioning Groups across Birmingham, to work with nursing homes to achieve improvements in clinical quality and enable more complex nursing needs to be met in these settings.

Work is underway with health to take a much more coordinated approach to managing providers and consideration is being given to joint contracting arrangements. A working group has been established with Clinical Commissioning Group's to look at Continuing Health Care (CHC) commissioning and whether this could be conducted under a revised joint contract. This is

particularly important when addressing issues of quality and price with providers and to ensure a consistent message about the standards expected and what the wider health and social care system is prepared to pay for these services.

The 2016/17 Council Business Plan has a target of achieving at least "72% of service users living in a care home (incl nursing home) or receiving home support placed with providers meeting the 'Good' quality standard (average of quarterly scores)". As at the end of quarter one (2016/17) only 62.3% of citizens were placed at providers rated good by the Self-Assessment process, compared to 65.1% in 2015/16. There are variations within this figure with home support providers having a higher average rating than bed-based providers. Within the latter the performance of the older adults market is of concern with just over 40% of providers meeting the required standard.

Quality Issues

Since 2014 the ASC service a Data Quality and Standards Team lead by a Group Manager has been in place with the aim on improving social work practice. This team has led on the development of quality standards and guidance, developed audit tools and undertaken benchmarking exercises. They have led on the redesign of the assessment tools used.

There has been great emphasis on the quality of work completed by setting clear standards and expectations set about work undertaken across ASP. The introduction of the assessment audit checklist has ensured that SPDs audit assessments against a given standard. This approach has introduced the concept of the competency based self-authorisation to embed professional autonomy for social workers who can evidence their level of competency via these audits. We have completed customer telephone audits which have shown a 90+% satisfaction rate with the quality of social workers interventions.

Quality of Care Planning - This is not reported on through care first so no data is available however work is being carried out by the ASP quality team to audit individual cases on a rota basis there is also a pro forma being developed to demonstrate best practice for completing standard and complex cases. These are in their infancy at present and would require at least 3 months to acquire meaningful data.

In terms of quality of commissioned services, a robust process is in place for home support services and older adults' bed based services. This is based on a quality rating system as described above. For nursing homes there is a joint process for managing quality issues which has been used within the 41 homes managed by Cross City CCG since June 2016. We are also working towards a joint Serious Incident process in Nursing Homes to enable quality concerns to be investigated in the most appropriate place.

The Council is currently taking action with a number of providers in relation to quality concerns which includes suspensions and improvement plans.

Market Position Statement

The Council's Market Positon Statement is published and can be found on the Council's website here: http://www.birmingham.gov.uk/marketpositionstatement

As the MIA programme progresses the MPS will be up-dated and will reflect the framework Terms & Conditions as issued post consultation.

Capacity/True Cost of care

In recent months Birmingham was impacted by the closure of a number of nursing homes, home support agencies and supported living providers . A joint protocol has been agreed with health to ensure a consistent approach to closures and appropriate prioritisation of citizens across health and social care. The re-assessment of citizens was undertaken very effectively although this did exacerbate capacity issues in terms of finding alternative provision. On a positive note Birmingham is seeing construction of new residential and nursing provision which will increase available capacity. Issues to be considered over the coming months are the continued use of a large volume of Enhanced Assessment Beds, commissioned by CCG partners.

With regards to the true cost of care/fair price of care, this has been the subject of close working with providers over the summer, following the publication of the latest KPMG open book process. Taking a regional and core cities view we have identified a potential issue regarding home support which we are discussing with providers.

Obviously any conversation regarding fees has to be cognisant of the City Council's complex financial position and the commitment to the Birmingham Care Wage.

Value for money of care packages – the use of a tendering process through Sproc.net provides assurance in terms of the value for money of care packages by combining the BCC self-assessment questionnaire, CQC ratings and a financial element to find the most suitable provider for support packages. The allocation of packages and the scoring of bids includes a specific element which identifies the extent to which providers can meet the citizen's outcomes.

With the recent introduction of New Deal we may be able to identify if support plans effectively meet the outcomes of Users – further work needs to be completed on this to identify validity.

National priorities and partnerships

Health and Wellbeing Partnership & Partnership Boards

The membership of the health and well-being board has been revised and strengthened. The Board now includes representatives from the CCG (Vice Chair) and also the housing and independent sector. We have moved away from holding meetings only at Council offices to help open up the discussion and we have more thematic workshops where other key individuals as well as board members are invited. The health and well-being strategy is being rewritten and a clearer role for the Health and Wellbeing operations group is being developed.

Adults Safeguarding Board

In preparation and since the implementation of the Care Act 2014 the BSAB governance and membership, the Board's plan (now far more strategic and looking over 3 years), risk register and its annual report have been fundamentally revised and moved on from previous years. There has also been a significant increase in investment in infrastructure support to the Board, linked Groups and to promote better joint work with other partnership boards on common top priorities eg domestic violence, mental health/DOLS, oversight of unregulated care settings, etc. There has been a particular emphasis placed on getting more effective and relevant joint working/co-production with the voluntary and community sector and citizens who have experienced the safeguarding system. We are aiming to appoint a new Independent Chair of the Board in the near future.

Children's Safeguarding board/Community Safety Partnerships

Work is progressing with the Children's Safeguarding Board , Community Safety Partnership and Health and Wellbeing Board to work together more on appropriate priorities and support mechanisms eg in relation to domestic violence , child sex exploitation and female genital mutilation. The new Domestic Abuse Prevention Strategy 2017-2020 is currently out for consultation.

Better Care Fund

The City's second BCF plan effective from April 2016 was fully approved, without conditions, by NHS England. In all important respects the local health and care system is currently in the process of fusing/merging relevant BCF projects and support capacity into STP workstreams and governance, whilst respecting the fact that BCF delivery and reporting, of course, remain mandatory requirements nationally.

Care Act Implementation

The most recent regional Care Act stocktake report highlighted the positive progress Birmingham was making around the Care Act, including the working in revising the Customer Journey, more effective work with partners, and better support for Social Care Staff. The findings of the regional work are as follows:

The regional position

- Across the region the proportion of people assessed as eligible has increased.
- Council's will wish to ensure that they are meeting their statutory duties towards carers.
- Preparation for adulthood is in its early stages of development
- Confidence in the ability to recruit and train the local Social Care workforce has declined since the previous stocktake.
- Costs have mostly increased as expected with some higher than predicted costs in safeguarding and preparation for adulthood.
- Widespread feedback across the region that councils are partially able to understand and shape the local care market.

Birmingham's variation from regional position

- A significant overall increase in activity (assessments, eligibility, carers, information and advice). Need to ensure data is accurate/validated.
- Prevention is developing but not fully effective. 11 of the 14 council's in the region are more confident in meeting these duties.
- Information and advice also developing but not fully effective.
- Birmingham's confidence in the ability to recruit and train the Social Care workforce has increased since the last stocktake. This is against the regional picture where overall there is a decline in confidence.
- The financial picture shows some consistencies with the region with impact being felt on a large scale

In summary the strengths and areas for improvements highlighted in the stocktake are summarised in the table below.

Strengths	Improvements
We are confident that we have embedded the statutory requirement plus the 'spirit' of Care Act 2014.	Performance/Monitoring and evaluation- is an area requiring further work
Learning & development - The Learning & Development Service (tlds) has also developed and commissioned a programme re. Meeting CQC Inspections. This too, has been very popular amongst providers.	Advice & information - Birmingham is at present looking to improve joint commissioning and provision of information with other parts of the Council.
Market shaping & Commissioning - BCC are very effective n regard to shaping the market and mitigating provider failure.	Prevention – developed but not yet fully effective
Prisons & custodial setting – Engagement with Winson Green Prion staff. Pathway for prisons has been completed.	Carers offer - yet to determine
Deferred payments – well established	Assessment process – are we applying this in a manor that is consistent. I.e. whole family approach
	Personal budgets – The Council has no clear approach in how it intends to meet section 26 of the Act giving the right to a personal budget for this eligible for care and support.

Winterbourne View/Transforming Care

The Directorate and the three Birmingham CCGs have operated a Section 75 agreement for joint commissioning of services for adults with Learning Disabilities and Mental Health issues since 2010. This arrangement remains in place though the governance arrangements have changed to ensure greater focus on each service area.

The joint Integrated Commissioning Board has been replaced by two separate interim boards whilst the future Governance arrangements are reconsidered within the scope of the commissioning reform work stream within the Sustainable Transformation Plan. The mental health system strategy board has been in place for over a year and provides strategic direction for Mental Health Services.

An extended Transforming Care Board is also now in place to provide governance around the development of services to adults with Learning Disabilities. The agenda of these boards has recently been revised to ensure all partners remain sighted to the financial position with regards to jointly commissioned services.

System Wide Transformation

The City Council been working in partnership with the NHS and Solihull Metropolitan Borough Council to develop a Sustainability and Transformation Plan (STP) to improve the health and wellbeing of people living in Birmingham and Solihull. Mark Rogers – Chief Executive of Birmingham City Council is the Footprint lead for Birmingham and Solihull area.

The STP was made public on October 24th – the first area in the country to do so. The Plan identifies 3 areas for change:

- Insufficient system wide focus on use of resources
- Too much care that can be delivered elsewhere is provided in a hospital setting
- Variation in clinical services

And 3 clear objectives:

- Creating efficient organisations and infrastructure
- Transformed primary, social and community care
- Fit for future

Resource and workforce management

Financial Context

Like the majority of local authorities within the region, Birmingham is experiencing a growth in demand for services whilst facing severe reductions in the funding that is available for care.

Since 2011, funding for Adult Social Care in Birmingham has reduced by a cumulative total of £152m.

A Transformation Programme agreed in 2008 set out a 10 year £200m+ savings programme that was subsequently stretched to £400m+. However, even if this was fully delivered it would not be sufficient to meet the actual savings that are now required.

There has been a failure to realise all of the savings identified in the 2008 plan. In particular, there have been shortfalls against the projected 30%+ savings for younger adults care packages. There have also been major changes to the operating environment since 2008. The Care Act, in particular, has led to changes in responsibilities and demand.

Service reviews and demand management initiatives have delivered mixed successes. "Underspends" in early years of the programme turned to a large overspend of £9m in 2015/16 that has continued to grow. Consequently there is increasing reliance on reserves and balances from the NHS – some of which have not been properly agreed.

Large movements in forecasts, especially for placements, have been experienced in the current financial year. At present a £50m shortfall is projected. £28m of this is due to the non-delivery of NHS resources through the Better Care Fund and the Sustainable Transformation Plan. Although included within the financial plan for the year, this is now unlikely to be made available.

There are a number of factors that have resulted in the current financial situation including a failure to realise unrealistic programmed savings, poor financial management that has not been closely enough aligned to forecasts, use of reserves that has obscured underlying issues, £6m per annum unfunded demographic pressures, other external pressures such as DoLs, large increases in long-term care packages directly from hospitals and EABs and failure of the care market.

The Directorate has implemented robust measures to tackle the financial challenge. Fortnightly budget meetings are held with the Deputy Leader, Chief Executive and the Cabinet Member. Whilst Adult Social Care is the most prominent issue, there is a clear recognition that all parts of the Council need to contribute to mitigate budget pressures. The Maximising Independence of Adults programme has been launched with a clear remit to stretch the resources that are available and to deliver savings. A key area for action is the need to manage and reduce demand within the system. Our relationship with the NHS is crucial; we need to ensure that commissioning and funding arrangements, for example those relating to Continuing Health Care and Enhanced Assessment Beds, are appropriate and that we are co-ordinating efforts to manage demand.

We recognise that further action is required to address the scale of the challenge. We need to focus on sound, practical action to reduce the overspend and to make sure that this activity is properly project-managed and fully implemented; we need to develop a better understanding of our interactions with the NHS to enable us to have clear, evidence-based conversations about roles, responsibilities and funding; we need to make sure that social work practice is consistent with policy and that we are truly doing asset-based assessments so that the limited resources that we do have are properly and fairly utilised; we need to implement a clearer strategy for the provision of Specialist Care Services and stronger commissioning, procurement and brokering process and

systems. Above all we must urgently define a new Adult Social Care function and structure and, therefore, a new "offer" in the community and in hospitals.

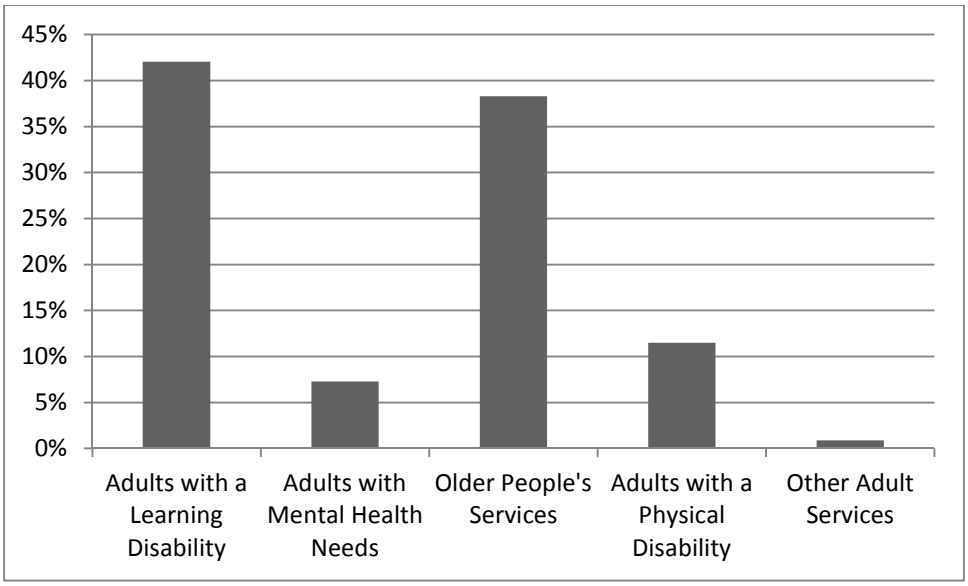
With respect to the Peer Challenge process we have already identified many issues and have action plans in place. We do not want these to be duplicated. However, within the scope of the Peer Challenge there would be value in exploring consistency of practice and whether our social work practice is stretching the resources we have. In addition, we are seeking input from the review team on managing the relationship with colleagues in the NHS.

% corporate spend on ASC

% spend on residential care

52% of the total spend (net of client contributions) on care packages is spent on residential care.

Expenditure (net of client contributions) on care packages by client group



Workforce, vacancies and recruitment

There are currently 924 [878.5 FTE] staff members within the Assessment and Support Planning (ASP) function. Of these, 405 (44%) are social workers. This includes 68 [62.9 FTE] GR5 Social Workers and 337 [321.1FTE] GR4 Social Workers

There are 11 (FTE) vacant Grade 5 and 21.5 (FTE) vacant Grade 4 social work posts that are being covered by agency staff at present. This is equivalent to 8.5% of the current social worker cohort.

Recruitment and selection is currently taking place for all vacant post across ASP.

Specialist Care Services are working through a service redesign to include re-provision of some services and decommissioning of other services. This is being carried out in consultation with service users and staff. Commissioning officers are assessing the capacity and quality of alternative providers within in the market.

As a result of the service redesign process, SCS is subject to a section 188 notice at present. This places restrictions on recruitment although there is flexibility to utilise agency staff if there is a critical business need. Similarly recruitment can also take place where there is a sound business case, for example where specialist skills are required.

The workforce delivery model was redesigned in 2011 in response to the Munro review of Social Work in England as well as existing budget pressures. Adult Social Work was restructured which resulted in a reduction in the management tiers and management numbers. It also introduced the organisational split between Workforce and Delivery. Management tiers were reduced to Director, Assistant Director, Group Manager, Team Manager and Senior Practitioner Workforce/Delivery. The Assistant Team Manager post was deleted. New roles of Senior Practitioner Delivery (SPD) and Senior Practitioner Workforce (SPW) were created.

A matrix management structure was introduced. Delivery held the responsibility for the flow of the work and the management of the delivery of assessments and support planning. Workforce was responsible for the management and supervision of the staff as well as any HR issues. The separation of the workforce in this way was to address the concern that in the management of pressured and challenging work environments it is staff support and supervision that suffers. It is this which the Munro report highlighted that can lead to demotivated staff, poor staff retention and a reduction in the quality of the work undertaken by social workers. The SPWs are managed by Group Managers Workforce. This ensures that decision making is consistent across the organisation. SPW are, as far as possible, linked to one team and work closely with the Team Manager and SPDs to address any issue which arise about the performance of the staff group.

The Workforce /Delivery split has enabled us to be sure that we have our workforce at work, in the correct teams, undertaking the level of assessment which matches their skill set. The commitment to creating a learning environment can be seen by the development of clear career pathways and a commitment to the ongoing appraisal of workers.

Due to the innovative nature of this approach the model has been externally reviewed in 2012 by Jon Glasby from the University of Birmingham. This review recognised the value and strength of working in this way.

One of the key drivers for this change was to strengthen our management approach while reducing the tiers and numbers of managers. The savings achieved by this restructure was £5.2 million.

There is clear evidence of the positive impact of this approach in the Birmingham Reform Board Summary 2016 and the internal evaluation of workforce complete June 2016. However as with all approaches we are committed to review the workforce / delivery balance.

One of the very important recommendation of the Maria Gibbs review of social work was that in order to improve the morale and motivation of the staff they needed to be given consistent and proper supervision. The workforce delivery model provides ,every social worker with 10 supervision per year to look at all their training, development and career progression. They also receive case work supervision from senior practitioner delivery.

Culture and challenge

Local Account – process and product

The 2015/16 Local Account document is currently being prepared in light of the release of the latest ASCOF benchmarking information. Findings from this self-assessment and peer review process will also help inform this process. Previous years versions are available and published on the City Council's website.

Participation in core SLI activity & Peer review exercises

The directorate team fully embrace Sector Led Improvement – Peter Hay and other senior staff participate in the WM Peer Challenges of other WM Adult Social Care Departments, supporting them to develop and bringing learning back to Birmingham to further develop our services, we actively lead on both regional and national priorities and key issues – Peter is co-chair of WMADASS, Alan Lotinga is the lead officer for DASS safeguarding, Carl Griffiths chairs the deputies/AD's Group and Safina Mistry is the lead for Carers, we are also very active on the regional finance and legal networks.

Peter and Alan also give national presentations and joint panels on hot topics to promote the Adult Social Care View and issue, the most recent of these was evidence given to the National Carers Commission, Birmingham featured prominently in their report launched from the House of Commons.

Local performance management arrangements

Performance Management is integral to the delivery of Adult Social Services. At the highest level, ASC performance measures are a fundamental part of the Council-wide performance management framework – with 3 key ASC performance measures embedded within the Council Business Plan – measures that were agreed through a wide consultation including with our citizen voice function.

Through the work of the Maximise Independence of Adults a new Adults Performance Framework is currently being developed – which will address system wide performance.

The Commissioning Centre of Excellence Intelligence and Analysis team also supports the service in providing a number of dedicated Business Intelligence and Management Information reports around the following areas:

- Assessment and Support Planning (broken down by areas and teams)
- Assessment and Support Planning in Hospitals
- Adults and Communities Access Point (ACAP)
- Safeguarding
- Specialist Care Services

As well as this to support improvement in social work standards - In 2014 we developed a Data Quality and Standards Team lead by a Group Manager. This team has led on the development of quality standards and guidance, developed audit tools and undertaken benchmarking exercises. They have led on the redesign of the assessment tools used. A key part of their work is to drill down into the IT systems, identifying errors in recording and providing the teams with the information so these can be resolved.

Political Scrutiny and Overview

Birmingham has a strong political challenge through the Health, Wellbeing and the Environment Overview and Scrutiny Committee whose members was finalised after the May 2016 election.

Ongoing programme of scrutiny involvement in relation to adult social care during municipal year since April 2016 has included.

- Involvement of Better Care Fund/STP leads in initial informal meeting in June 2016 to brief members and plan scrutiny work programme.
- Report to HOSC in July on the use of Enhanced Assessment Beds including capacity in Care Centres which was followed by a visit to two Care Centres by HOSC Chair and another HOSC Member. This will be followed by a further report scheduled to come to the November meeting to update Members on the latest position.
- Attendance by Cabinet Member for Health and Social Care at September HOSC meeting for progress report and questioning by HOSC Members on all aspects of portfolio.
- The December HOSC meeting will be devoted to scrutinising the 2015/2016 Local Performance Account Report and the West Midlands Challenge of Birmingham Adult Care.
- In addition the members have been and will continue to scrutinise changes to End of Life Care Services in Sandwell and West Birmingham through the Joint Birmingham/Sandwell HOSC .

Complaints

The Citizen Voice Team is part of the Commissioning Centre of Excellence responsible for the management of the statutory complaints function for adult social care and for promoting and facilitating Citizen Engagement activity throughout the commissioning cycle.

The Citizen Voice Team has increased the number of staff managing complaints over the past year and started to review the complaints process to allow the service to grow and develop to ensure the Citizen receives the best customer care service possible.

We are scoping new ways of involving Citizens to assist the team in ensuring measureable quality standards are set, embedded and monitored.

The Annual Report 2015-2016 has highlighted the following:-

- 147 statutory complaints were received during this reporting period, a reduction on the previous two years;
- 11 complaints were withdrawn during the process;
- 628 individual statutory complaint elements investigated;
- 391 complaint elements not upheld, 142 elements upheld, 54 elements partially upheld, 40 elements inconclusive, 1 element where no finding could be made;
- Assessment and Support Planning again received the largest number of complaints (92) compared to (129) for the same service area last financial year;
- The Statutory timeframe for responding to a complaint is six months: 131 complaints were responded to within that timeframe;
- Staff Behaviour was the highest overall reason for complaints received with 32;
- 6 Local Government Ombudsman Complaints in respect of statutory complaints were registered for the reporting period in respect of statutory complaints received;
- A further 146 pieces of information received not competent for the statutory complaints process including 58 Corporate 'Your Views' Complaints were managed by the team.

- Early resolution for Citizens by processing and managing information received with their agreement as requests for service rather than complaints.

Organisational Development

We are proud of our workforce. The quality of social work in the city has been recognised at a national level. For the past 3 years Birmingham ASP has had an increasing numbers of finalists and winners at the National Social Work Awards. We have won the Adult Social Worker of the Year for the past 2 years (2014 and 2015) as well as Adult Team Leader 2014, Assessed and Supported Year in Employment (ASYE) 2015 and the award for Creative and Innovative practice for our Post-hospital Discharge Team in 2015. This year we have 7 successful finalists. We have also been recognised by our partners as providing quality intervention and support – winning the National HSJ Health Care Award for hospital discharge work in 2014. Our partnership work with Birmingham City University has also been recognised; this year (2016) we have won 2 awards for the support given to student social workers, one for the SPEd Team, nominated by the university tutors, and one for an individual SPEd nominated by the student.

We celebrate the achievements the work that social workers do locally too, holding various events to celebrate their achievements – including presentation of certificates and small mementos. Social Workers are frequently nominated and win in the directorate awards (Shining Stars) and Council-wide awards (Chamberlain Awards).

The success we have achieved demonstrates that adult social work practice in Birmingham is recognised as being of high quality. However, we are not complacent and recognise that we need to ensure that the very best practice is consistently to be found in all areas of adult social work. In particular, we need to embrace the challenges identified in the Peer Review File Audit and continue to build on the quality of our social work interventions.

We recognise the need for continuous learning and development to ensure that the workforce has the knowledge and skills to meet the demands of a changing operating environment and we are committed to the learning and development of all our staff. We are committed to the development of a Learning Unit for students and ASYE. It is important to us to invest in workers at the start of their career and so embed the knowledge and skills required to develop skilled practitioners. This involves not only investing in new workers but also the skills and knowledge of assessors. We have developed 2 specialist practitioner roles, Senior Practitioner Education, who work closely with universities, directly support 8 students and support the wider practice educator role and the Senior Practitioner Workforce ASYE who work with the External Moderation Partnership and provide direct support to ASYEs via workshops and action learning sets.

Managers and staff are being encouraged recognise their own strengths as well as to identify the skills and expertise of their supervisees. Some of the more experienced and confident members of staff with the right skills have been invited to facilitate sessions within and across teams. This approach has been taken with some the direct payments 'refresh'.

SCS has been included in terms of briefing sessions to managers who will cascade the information to workers who are can act as promoters of direct payments, fulfil a signposting role – e.g., OTs, Home Carers, Day Centre workers etc.

Value based training is being delivered to Social Care Facilitators, plus, Referral and Advice Officers.

Work is being undertaken with CCoE colleagues to develop standards within Home Support Provider services - Meeting Quality Standards in Social Care – a 2 day programme for Home Support proprietors and registered managers.

Care Act '14, outcomes focused related training has been commissioned for people who have been recruited to ASP during 2016 and Care Act '14 e-learning programmes are available to all staff in ASP.

Learning and development for newly qualified social workers (NQSWs) continues and qualifications related programme/refresher programmes continue to be offered, eg., in relation to mental health work etc. Best Interest Assessors, Approved Mental Health Practitioners. Mental Capacity and Deprivation of Liberty Safeguards training contuse to be rolled out.

All ASP managers' programmes have been refreshed (Team Managers, SPDs/SPWs). A programme for senior managers (AD, GM etc.) has been developed.

Safeguarding for Managers has been developed and added to the existing suite of programmes, which have each been updated to ensure that they are compliant with the CA14.

Continuing Health Care training for social workers has been developed and is mandatory.

X3 Social Care Apprentices are being recruited in late '16. A local FE provider will deliver the training.

A seminar with partners across local CCG partners and BCC to discuss apprenticeships across the health and social care economy, workforce planning and development is due to take place in Dec '16.

Support continues to be given to SCS regarding day-to-day running of services, refresher training to ensure compliance with regulatory requirements etc. additional training can be provided in house or purchased in if there is a statutory requirement as identified by the Care Quality Commission.

Specific learning and development programmes have been commissioned to assist staff where services are being closed e.g., managing change, resilience etc.

Service User/Carer Voice and co design

Since the autumn of 2015 we have established a new model for engaging with citizens entitled "Citizen Voice". The aim of this model is to ensure the voice of the citizen influences our practice at all stages of the commissioning cycle.

This approach moves away from the previous model of a small numbers of citizens involved in an ad hoc way, to the 'sign up' of a much larger numbers of citizens to work with us to co-produce service standards and have input into service design, monitoring and evaluation.

To be able to offer citizens of all ages, interests and experience opportunities as and when they arise within commissioning teams.
Developing the infrastructure to be able to manage this new model has involved developing:

- a new staff team

- Publicity campaign – to encourage citizens of all ages, interests and experiences to volunteer some time to get involved through a new 'Menu of Involvement' Leaflet, posters, Web content and staff going out to speak to citizens
- Internal communications campaign / workforce development for staff, including staff briefings, drop in sessions and surveys
- Building a new database to enable citizens to 'sign up' electronically to a range of citizens of all ages opportunities based on their interest
- Governance – the setting up of a new Citizen Governance Board to scrutinise and provide quality assurance regarding citizen voice activity

Challenges:

The main challenge is ensuring that all commissioning project plans consider how and when they will involve and engage a representative range of citizens, service users and carers to inform design, delivery, monitoring and evaluation of services from a citizen perspective.

Making it Real - We have completed two full cycles of Making it Real action plans but we were not in a position to sign up to a further cycle in 2015/16 due to major restructure across commissioning. However, we have been successfully building on previous MIR activity by using that learning to inform current work under the Direct Payment Project Board. Members of staff from the Citizen Voice team and citizens who use Direct Payments have worked together to co-produce a strategic communications and engagement plan, as well as being involved in developing new ways of sharing their story to promote Direct Payments.

CITY OF WOLVERHAMPTON COUNCIL

02 December 2016

Peter Hay
Strategic Director for People
Birmingham City Council
PO Box 16466
B2 2DP

Dear Peter

Birmingham City Council Adult Social Care Peer Challenge – 14th -16th November 2016

I write to give you formal feedback following the peer challenge on **Maximising the independence of adults in a financially challenged environment**. This builds on the provisional feedback we shared with you on 16th November 2016. (A copy of our presentation is attached as an appendix).

I was pleased to lead the peer challenge and I was joined by Pete Jackson, programme manager, Anne Clarke (assistant director Worcestershire County Council), Paul Smith (commissioning manager Wolverhampton City Council), Kerrie Allward (assistant director Walsall Council), Steve Corton Better Care Fund manager West Midlands), Keymn Whervin (expert by experience), Councillor Ken Meeson (Cabinet member and chair Solihull health and wellbeing board) and Mark Taylor (director of finance City of Wolverhampton Council) . The team met over 90 people in 30 separate sessions and at 11 different locations in the 3 days we were on site.

The process also included a case file audit and this was led by Mark Godfrey for Improvement & Efficiency West Midlands, and undertaken by members of the West Midlands Principal Social Worker Network.

I would like to thank you for putting Birmingham forward to host this peer challenge at a time when you like many other councils face large challenges and pressures. Specifically, your strong recognition of the value of sector led improvement as a process for improving performance and outcomes. The flexibility the council demonstrated in responding to requests for additional information and also the quality and breadth of the data that was provided ahead of the visit was also very much appreciated

I would also like to thank all the people who use services, carers, staff and partners, the leader of the council, cabinet member for adults, and scrutiny members who participated in the challenge. We were made welcome and our thanks go to Mike Walsh and Mary Grant and the administrative team in your office for their organisation before and during our visit.

There were many positive areas of good practice and policy that we will take away from our visit and in particular the commitment and enthusiasm of staff at all levels in the organisation to provide great care for the citizens of Birmingham.

Ahead of the peer challenge you provided a detailed self-assessment and a focused set of documents that assisted the team in understanding the position of adult social care in Birmingham. This demonstrated a high degree of self-awareness of the challenges that you face. We felt that your use of the 6 domains of risk was particularly helpful in providing an overview and the team used this throughout the challenge to check alignment between your self-assessment and the evidence and commentary that we saw on site. I have attached a summary of our reflections on these areas in the appendix attached.

You asked for the peer challenge to focus on "Maximising the independence of adults in a financially challenged environment" and in particular to help your social care staff to best maximise the independence of adults.
In particular, to look at the effectiveness of your: -

- social care assessments and care packages
- care and support planning
- front line 'joint working' arrangements within health

Additionally, given the issues highlighted in your self-assessment, you requested that the team review: - whether Birmingham adult social care is facing a severe financial risk and if you are doing enough to mitigate this risk?

Starting with the financial risk the team identified this as the key challenge facing Birmingham 's adult social care services and the scale of financial challenge can be summarised in your self-assessment: -

"Since 2011 ASC budget has reduced by a cumulative total of £152m, the Transformation programme agreed in 2008 – 10 year saving of £200m has now stretched to £400m, there has been a reliance on reserves to balance the budget and the transfer of funding from health of £50m has a shortfall for 2016/17 of £28m, and there has been a failure to deliver previous budget targets."

To mitigate these risks, you have instigated: -

- Fortnightly budget meetings with the CEO to monitor monthly trends and spend,
- Work to better understand the financial interactions with health
- The development of a clearer strategy for the provision of specialist care services
- The development of the Maximising Independence for adults' programme
- A review of value for money of in-house provision
- A review of financial controls, including panels and resource allocation system
- A Finance and Operational Management Audit Report which makes key recommendations such as:
    - Better availability of budget information for budget holders
    - Engagement with finance and operational management
    - Care package forecasting
    - Expenditure reports

What else should you be considering?

- The importance of getting an overall grasp of the financial challenges faced is urgent and the forthcoming Local Government Association Stress Test will require detailed work to be undertaken to present a credible narrative of the financial position.
- There is an urgent need to align financial monitoring systems between adult social care and corporate finance.
- The lack of ownership of budget savings at team and group manager level and the availability of accurate budget monitoring information is severely hampering the ability of front line staff to contribute to efficiencies and savings.
- There is a need for corporate 'ownership' of the adult social care budget targets – and a much better collective view of where they sit in the list of overall council savings priorities.

Social care planning, assessments and care packages
Strengths

- Responsiveness of the Standard service.
- Access to enablement.
- Use of telephone assessment.
- Strengths identified in the case file audit included:
- Self-authorisation of assessments
- Quality of case recording
- Good learning and development through reflection.

Social care planning, assessments and care packages
Areas for consideration

- Extent to which an asset based approach is embedded in all teams.
- Consistent practice in process for agreement for personal budgets.
- Consideration for options for support planning other than being social work led.
- Additional areas for consideration identified in the case file audit included:
- Extent to which strengths based work is embedded in all teams
- Having a stronger focus with regard to complying with the Care Act duty around promoting wellbeing
- Reviewing the approach to managing risk and reliance on institutional care.

Front line 'joint working' arrangements within health –
Strengths

- Strong strategic commitment across partners.
- Degree of progress in the last 12 months.
- Growing understanding of the interface between health and social care.
- Actively engaged in the Sustainability and Transformation Plan (STP) process.
- Good frontline working relationships between health and social care.
- Growing joint working on pathways and shared protocols.

Frontline 'joint working' arrangements within health -

Areas for Consideration

- Separate budgets and relationships across health and social care impacts on ability for partners to work and commission collaboratively.
- Better Care Fund programme is not central to health and social care partnerships and is seen as a 'Health Plan'.
- Reviewing the potential for risk and benefit share arrangements.
- Increased use of data and intelligence to inform decision making.
- Vision for future integrated health and social care front door services not clear.

Given the breadth of the feedback that the team has provided I believe it would be helpful to highlight 6 areas where we recommend that you focus attention in your own planning and improvement processes. We have posed these as objectives in the expectation that you will wish to translate them into an action plan to respond to the areas we have suggested that you consider.

Areas recommended for further action: -

1. strengthen your grip on the financial monitoring and delivery of efficiencies/ savings requirement given the scale and urgency of the budget challenges faced.
    a. work closely with corporate finance on the current and future savings proposals to ensure deliverability and that the implications of any saving proposals put forward are fully owned by the service and the corporate centre
    b. implement the findings of the recent Finance and Management Audit report
2. strengthen the relationship between the commissioning for excellence unit & with your delivery of frontline services and improve their engagement with stakeholders including carers
3. increase the pace and scale of transformation required by the Maximising Independence Programme to have a much stronger focus on the delivery of improved outcomes for service users
4. translate your initial thinking into a credible vision for an integrated place based health and care system in Birmingham and outline how relationships with health can be improved at the front door
5. upscale and maximise the potential offered by an asset based approach with the voluntary and community sector to transform your traditional Social work model placing a particular emphasis on your narrative and your actions in relation to prevention
6. strengthen the interface between adult social care and the corporate centre to realise the ambition for Birmingham to become "a city that cares" and a great city to grow old in.

Conclusions

The team recognised the significant work the council has been undertaking and scale of the challenges that are faced given the size of the population, the levels of deprivation and the external attention that the council has received following the Kerslake review. We were very impressed by the commitment demonstrated by frontline staff and the determination of the council leadership team and politicians to move forward in a planned way to improve the independence overall of citizens and in particular the outcomes for those growing old in the city as part of the council's vision and plan for 2026.

Finally, we have sought to make the findings of the peer challenge constructive and helpful to the council and also to strike an appropriate balance between support and challenge. In line

with the west midlands peer challenge approach, we would ask that the council considers the recommendations, develops an action plan in response, and in March 2017 a review of progress takes place through a discussion between the Lead Director of Adult Social Care (DASS) and myself. It is also agreed in the West Midlands that councils will publish their peer challenge final letter and subsequent action plan to demonstrate its commitment to sector led improvement.

We hope that you regard the comments and recommendations the Team has made as being constructive and helpful. The regional Improvement manager Pete Jackson and Ian James the care and health improvement advisor for the LGA are resources that are available to support councils to develop action plans to drive change as a result of a peer challenge. We have learnt from the process ourselves and we have really appreciated the opportunity to take away some good examples of care and support that we can share with councils across the West Midlands.

On behalf of the Team, I would like to thank you for hosting this peer challenge and for working so positively with us. I hope that you will agree this has resulted in a helpful and constructive outcome and if you have any points that you would like clarifying please do not hesitate to contact me

Yours sincerely

Linda Sanders
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CC Mark Rogers, Cllr Paulette Hamilton, Martin Samuels, Ian James, Peer Challenge team

Appendix 1
Birmingham City council self-assessment

Leadership
Strengths

- Strategic Director of People is seen to be approachable and credible with a strong strategic vision.
- Cabinet member is seen as a committed and positive leader with visible leadership of the Maximising Independence of Adults Programme Board.
- Leader and Scrutiny Chair see Health & Social Care as a priority - "Care is what this City does".
- Chief Executive has demonstrated strong system leadership on behalf of the Sustainability and Transformation Plan (STP).
- A new city vision and plan has Older People as one of the four priorities - "A great city to grow old in".

Leadership
Areas for consideration

- Encourage a whole council approach to the Adult Social Care agenda – aligning objectives and effort.
- Maximise opportunities for evidence based learning and encourage staff to review best practice elsewhere.
- Systematic approach to prevention.
- Strengthen the system leadership narrative and forum for integration – focus on outcomes.
- Need to develop a shared understanding of the challenges, opportunities and motivation to further develop trust in partnerships.

Performance and outcomes
Strengths

- Impressive performance recovery on Deprivation of Liberty Standards back log (2500 March 15 - 150 November 16) excellent use of risk register.
- Clear programme management approach with political leadership for the Maximising Independence of Adults programme.

Performance and outcomes
Areas for consideration

- High use of institutional care. Consider personalisation and empowerment through the use of direct payments.
- Delayed transfers of care – the position has been described as 'stabilised' but what are the current trends and could the Better Care Fund be used as a vehicle for partnership innovation?
- The performance in relation to the Adults Social Care Outcomes Framework does not benchmark well against regional and national comparators and represents a reputational issue for the council.
- Adults Community and Access Point – review demand management in relation to reablement and resilience/capacity (turnover/gaps through training & volume).

- Need fundamental review of interface with Carers and their engagement in co-production of services.
- Increase visibility and transparency of performance information to demonstrate and monitor progress and drive change.

Commissioning and quality
Strengths

- Well-resourced team with capacity and capability to support the transformation of Adult Social Care
- Direct Payments Board Communications Strategy fully co-produced with service users
- Integrated and recovery based single system recommissioned re substance misuse services well aligned with social care and with good outcomes
- Scope for harnessing Public Health intelligence and expertise in Adult Social Care commissioning

Commissioning and quality
Areas for consideration

- Clear disconnect between commissioning and delivery.
- Birmingham Care Wage may be unaffordable.
- Review outcomes delivered and value for money of internally provided services.
- Review the Adult Social Care profile of expenditure to match the aspiration in MIA.
- Development of a commissioning strategy to invigorate the third sector to support the MIA programme and reduce dependency on traditional services.
- Care Act was soundly implemented in 2013 but council may wish to consider current compliance with broader duties particularly carers, wellbeing and Market Shaping.

National priorities and partnerships
Strengths

- Excellent Extra Care scheme independently evaluated by Aston University in 2015
- "Feels like the partnerships are coming together" BCF/HWBB/STP
- 'No wrong door' an excellent example of partnership led by BVCS to help support people with complex needs
- Leadership of the Health & Wellbeing Board and its clear strategic priorities
- Better Care Fund plan regarded as a good plan, approved with no conditions
- Transforming Care Board good governance established

National priorities and partnerships
Areas for consideration

- "relationships with carers, regarded as being good two years ago have been neglected and as a result we feel undervalued, under supported and underserved"
- Long way to go towards co-production, review if structures are in place to support
- Need to understand the evaluation of the Shred Life Plus programme undertaken in 2015 and implement lessons as part of MIA programme
- Market sustainability - maintain focus given the ongoing fragility of the market

Workforce management
Strengths

- Staff that we met were positive, enthusiastic, knowledgeable in their field and open to scrutiny and challenge
- The case file audit found:
    - Social Workers are generally positive about working in Birmingham.
    - Good support for students and the Assisted Supported Year in Employment Programme.
    - Philosophy of investment in people.
    - Well-resourced development programmes.

Workforce management
Areas for consideration

- Workforce delivery split – clarity of accountability/affordability.
- How well are the costs understood for in house services?
- The case file audit found:
    - Review make safeguarding personal
    - Focus on developing asset based approach

Appendix 3 – Adult Social Care Peer Challenge Action Plan

Recommendation	Activity	Start Date	Completion date	Lead
A. Strengthen your grip on the financial monitoring and delivery of efficiencies/savings requirements				
a. Work closely with corporate finance on the current and future savings proposals to ensure deliverability and that the implications of any saving proposals put forward are fully owned by the service and the corporate centre	A1. i. Establish Directorate Savings Programme Board ii. Review effectiveness of the Board prior to Peer Challenge 6 month visit	Dec-16	i. Dec-16 ii. Apr-17	Peter Hay
	A2. i. Develop Implementation Plans for savings proposals ii. Develop Benefits Cards for each budget savings line	Dec-16	Jan-17	i. Programme Leads ii. David Moran
b. Implement the findings of the recent Finance and Management Audit report	A3. Implement audit recommendations: i. Business Process Review - Care First to Voyager ii. Consultation with stakeholders iii. Review of Cost Centre structure and associated control totals/hierarchies iv. Improve data quality v. Placement Panel Impact vi. System Redesign & Implementation	Jan-17	i. Jan-17 ii. Mar-17 iii. Feb-17 iv. Mar-17 v. Mar-17 vi. Apr-17	Peter Hay

Appendix 3 – Adult Social Care Peer Challenge Action Plan

B. Strengthen the relationship between the commissioning for excellence unit & with your delivery of frontline services	B1. Development of a strategy for Commissioned Adult Social Care including changes to processes, systems and interfaces between Commissioning and Social Work teams	Dec-16	Jul-17	John Denley
	B2. Improve information sharing: reporting of commissioning activity to social work management teams; involve commissioning managers in budget panel meetings	Dec-16	Jan-17	Maria Gavin/Carl Griffiths
	B3. Improve visibility of safeguarding information to commissioning managers	Dec-16	Jan-17	John Denley
C. Improve engagement with stakeholders including carers	C1. Develop new model of engagement and co-production with citizens including carers	Dec-16	Jan-17	Pat Merrick
	C2. Key consultation: Adult Social Care Budget Proposals	Jan-17	Mar-17	Pat Merrick
	C3. Key consultation: Adult Social Care External Commissioning strategy & framework	Mar-17	May-17	Maria Gavin
D. Increase the pace and scale of transformation required by the Maximising Independence Programme to have a much stronger focus on the delivery of improved outcomes for service users	D1. Direct Payments - delivery of Engagement and Communication Strategy to increase rate of take-up	Dec-16	Jul-17	Carl Griffiths
	D2. Enablement - Develop and implement an effective in-house enablement service and realise savings of £4m	Oct-16	Jun-17	Geoff Sherlock
	D3. ACAP - Develop future operating model	Jan-17	Mar-17	Tapshum Pattni

Appendix 3 – Adult Social Care Peer Challenge Action Plan

	D4. Single-handed Care - Implement Pilot Project and evaluate outcomes	Dec-16	Feb-17	Carl Griffiths
	D5. Make better use of intelligence to support adult improvement programme and drive change	Dec-16	May-17	John Denley
E. Translate your initial thinking into a credible vision for an integrated place based health and care system in Birmingham and outline how relationships with health can be improved at the front door	E1. Developing a vision for integrated social care with primary health care.	Nov-16	Apr-17	Peter Hay
F. Upscale and maximise the potential offered by an asset based approach with the voluntary and community sector to transform your traditional Social work model placing a particular emphasis on your narrative and your actions in relation to prevention	F1. Develop model for future social work with an associated workforce plan and undertake consultation with citizens and stakeholders	Jan-17	May-17	Carl Griffiths/Tapshum Pattni
G. Strengthen the interface between adult social care and the corporate centre to realise the ambition for Birmingham to become “a city that cares” and a great city to grow old in.	G1. Embed key adult social care measures of personal independence and quality care within the health outcome of the Council Plan	Dec-16	Apr-17	Peter Hay
	G2. Develop and Deliver Council of the Future Operating Model; embedding key social care outcomes within an integrated commissioning model	Jan-17	TBC	Mark Rogers

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	**CABINET**
Report of: **Date of Decision:**	**Strategic Director for People** **24th January 2017**
SUBJECT:	**OUTCOME OF A 2015/16 SAVINGS PROPOSAL - ASSESSMENT AND SUPPORT PLANNING – USE OF THE BETTER CARE FUND**
Key Decision: Yes	**Relevant Forward Plan Ref: 02821/2016**
If not in the Forward Plan: **(please "X" box)**	**Chief Executive approved** ☐ **O&S Chairman approved** ☐
Relevant Cabinet Member	**Cllr Paulette Hamilton - Health and Social Care**
Relevant O&S Chairman:	**Cllr John Cotton - Health, Wellbeing and the Environment**
Wards affected:	**ALL**

1. Purpose of report:

1.1 To outline feedback on the re-consultation of a 2015/16 savings proposal: "Assessment & Support Planning and use of the Better Care Fund", following the outcome of Judicial Review proceedings.

2. Decision(s) recommended:

That the Cabinet:-

2.1 Notes the reasons why the 2015/16 saving proposal has been the subject of further consultation and further notes the consultation responses; and

2.2 Approves the recommendation as set out in paragraph 5.4

Lead Contact Officer(s):	Charles Ashton-Gray Service Lead – Intelligence, Strategy & Prioritisation Commissioning Centre of Excellence
Telephone No: **E-mail address:**	0121 464 7461 Charles.Ashton-Gray@birmingham.gov.uk

3.	**Consultation**
3.1	Internal Legal & Democratic Services, City Finance and the Directorate for People Management Team have been involved in the preparation of this report.
3.2	External See paragraph 5.1 below.

4.	**Compliance Issues:**
4.1	Are the recommended decisions consistent with the Council's policies, plans and strategies? This report supports the achievement of Outcome five: A healthy, happy city, as detailed in the Council's Business Plan & Budget 2016+, as approved by Council on 1st March 2016.
4.2	Financial Implications The proposal was to maintain levels of funding within Assessment and Support Planning for two financial years 15/16 and 16/17, by using anticipated savings from the Government's Better Care Fund Programme along with some money previously set aside by the NHS. The Better Care Fund national performance framework for the reduction in Non Elective admissions to Acute Hospitals was subsequently not achieved due to increasing demand nationally and was withdrawn by NHS England. This has resulted in increased financial pressure for the City, both in levels of demand and reductions in anticipated income from the Better Care Fund.
4.3	Legal Implications Under the Care Act 2014 together with associated legislation and guidance, the local authority has a duty to assess where there appears to be a need for care and support. Following a needs assessment the local authority has a duty to meet assessed eligible need for care and support. This includes carers who also meet the national eligibility criteria. To comply with the consent Order dated the 3 November 2015 the outcome of the fresh consultation on the proposal ASC1 has to be considered by Cabinet and a fresh decision made.
4.4	Public Sector Equality Duty The Equality Analysis undertaken to support the decisions of Council and Cabinet in March 2015, did not identify any adverse impacts for this proposal.

5. Relevant background/chronology of key events:

5.1 In December 2014, the City Council published a White Paper "Budget consultation 2015+", which detailed the Council's medium-term budget position and outlined its savings proposals 2015/16 – 2017/18. The Directorate for People had put forward 10 proposals. Proposal 1 was "Assessment & Support Planning and use of the Better Care Fund." A Judicial Review of the Cabinet decision of 16th March 2015 (key decision 534584 refers which confirmed the budget allocation for the Directorate for People) arose because the factsheets made available at consultation events and the Directorate consultation document were not entirely consistent in respect of this proposal. The judicial review proceedings were settled by way of a consent Order dated 3 November 2015 in which the Local Authority agreed to undertake a fresh consultation on item ASC1 on its 2015 -16 budget and to take fresh decision on ASC1 taking into account responses to that consultation.

In August 2016 letters were sent to service users and their carers asking them to give their views again, pointing out the original inconsistency in the original 15/16 consultation. That letter, however, also went on to give some additional context regarding the "new laws" that had been anticipated in December 2014, stating that the planned change to introduce a cap on care costs had been postponed. A subsequent objection was received regarding the inclusion of this 'clarification'. In an effort to minimize costs a revised letter was posted on BeHeard removing the additional context and the consultation period was extended from 1st September to 3rd October 2016.

Proposal 1 of the Directorate for People's 2015/16 – 2017/18 budget consultation was "Assessment & Support Planning and use of the Better Care Fund." An extract is provided below:

Proposed changes

We are not proposing to change the amount spent on assessment and support planning. The joint working resulting from the Government's Better Care Fund Programme is anticipated to provide some savings. These savings combined with some money previously set aside by the NHS to support adult social care will enable us to keep this budget at its current level for the next two years.

Total Spend 14/15	Net Cost 14/15	Saving in 15/16	Saving in 16/17	Saving in 17/18
£35.813m	**£34.562m**	£5.900m	£8.400m	£0.000m

5.2 To support the Corporate consultation each proposal was explained in a factsheet. For the Directorate consultation, a separate document was produced. The Judicial Review arose because the factsheets made available at consultation events and the Directorate consultation document were not entirely consistent. The text omitted from the Directorate consultation document was:

What would this mean?
The service will need to make some changes, even though we are not proposing to change the total amount spent on it. This is because the workload of the service, the number of assessment it needs to undertake, will increase in the next few years; due to the growing population and new laws.

As a result we plan to make the 'customer journey' more efficient, cost effective and professional. This will lead to a better service for Birmingham citizens but will result in changes for staff.

We will try to reduce the impact by:
Two-way communication with staff about the future operating model is already taking place and will continue.

5.3 The extended consultation received 17 responses via BeHeard – all of the 17 were received before the original closing date. The response was that 82% supported the proposal to use money saved through joint working to maintain current levels of spend in assessment and support planning.

In the original Directorate consultation, which was reported to Cabinet on 16th March 2015, 62% of the 50 respondents to BeHeard were in agreement with the proposal.

5.4 Cabinet is now asked to consider the responses to this fresh consultation and recommends the decision of Cabinet of 16 March 2015 which includes proposal ASC1 should stand in the light of these responses

5.5 A small number of telephone, letter and e-mail responses were also received during the re-consultation. Cabinet Members are advised to read these responses prior to the Cabinet meeting.

6. Evaluation of alternative option(s):

6.1 There are no alternative options. The proposal under question was for 2 years 15/16 and 16/17 and it has subsequently been found that it could not be achieved as originally planned, due to changes in the Better Care Fund national performance framework. This has meant that the Directorate's budget has had to be supported from the City Council's revenue reserves.

7. Reasons for Decision(s):

7.1 To ensure compliance with the consent Order made in Judicial Review proceedings dated 3 November 2015, the outcome of this consultation and the recommendations of the Cabinet Report of 16th March 2015 now need to be approved by Cabinet.

Signatures		**Date**
Councillor Paulette Hamilton Cabinet Member for Health and Social Care	…….	…….
Peter Hay Strategic Director for People	……..	…….

List of Background Documents used to compile this Report:
1. Cabinet report of 16th March 2015 – "Directorate for People – 2015/16+ budget consultation feedback" (Forward Plan Reference No. 534584) 2 Be Heard consultation responses and associated correspondence

List of Appendices accompanying this Report (if any):

Report Version	**V6**	**Dated**	**13/01/2017**

BIRMINGHAM CITY COUNCIL

PUBLIC

Report to:	**CABINET**	
Report of: **Date of Decision:**	**Acting Strategic Director of Place** **24th January 2017**	
SUBJECT:	**REVIEW AND FUTURE OPERATING MODEL FOR THE SHELTERED HOUSING SERVICE**	
Key Decision: Yes	**Relevant Forward Plan Ref: 002863/2017**	
If not in the Forward Plan: (please "X" box)	**Chief Executive approved** ☐ **O&S Chairman approved** ☐	
Relevant Cabinet Member(s)	**Cllr Peter Griffiths Cabinet Member for Housing and Homes** **Cllr Ian Ward, Deputy Leader**	
Relevant O&S Chairman:	**Cllr Victoria Quinn – Chair of Housing and Homes Overview and Scrutiny Committee**	
Wards affected:	**All Wards**	

1. Purpose of report:

1.1 To outline to Cabinet the proposals for the future management of the sheltered housing service including the financial model for the service which are set out in this report.

1.2 To seek Cabinet approval to the recommended approach to remodel the sheltered housing service across the city as set out in this report, including consequential revisions to charges.

1.3 The proposals are subject to the approval of the Council Business Plan and Budget for 2017+ by Council on 28 February 2017 and are consistent with the HRA Business Plan 2017+ and the proposed HRA Budget for 2017/18.

2. Decision(s) recommended:

That Cabinet approve

2.1 The revised Sheltered Housing Service as set out in paragraph 5.3 of this report.

2.2 The revised service charges for this service to be charged from 3 April 2017, subject to approval of the Council Business Plan and Budget 2017+ by Council on 28 February 2017. The proposed increased charges are outlined in paragraph 4.2 of this report.

Lead Contact Officer(s):	Robert James
	Service Director – Housing
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3. Consultation

3.1 Internal

The proposals have been presented to Housing Transformation Board which includes representation from Place, People and Economy Directorates with broad support to the proposals. Trade Unions and staff have been consulted on the proposals and are supportive of them. All elected members and MPs have received a briefing on the proposals.

Officers from City Finance, Human Resources and Legal Services have been involved in the drafting of this report.

3.2 External

The Chartered Institute of Housing undertook a programme of consultation with tenants of sheltered housing in 2014. The key priority expressed by residents was for an onsite presence and help with low level repairs that cannot be carried out through the housing repairs and maintenance contract. The outcomes of this consultation were utilised to inform the proposed new operating model for the service.

As part of the review presentations were made at Sheltered Housing Liaison Boards and district sheltered housing boards and consultation events were carried out at sheltered schemes across the city and all sheltered residents were invited. 408 residents attended. This was followed by a hand delivered questionnaire to all residents The results of this are attached at Appendix 1 but in summary the findings of this process shows

- 29% of residents responded to the questionnaire.
- 40% of respondents were satisfied with the proposed increase in service charges. (33% dissatisfied).
- 57% of respondents stated that the handy person service was important to them. (Over a quarter felt it was unimportant).
- Changing light bulbs was seen as the most important handy person service. (48%), and 28% stated it was very important.
- Moving items such as pictures was seen as the least important handy person service, with 37% stating it was unimportant and only a third of respondents saying it was important.
- 42% of respondents felt that a floating support service was important. (14% unimportant).
- Over 45% of respondents felt that support to maintain a tenancy and to live independently in your own home were important. (48% living independently).

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

The service provided by the sheltered housing team underpins the City Council's policy statement priorities "a healthy, happy city" by enabling older people across all council tenancies to feel safe, living with dignity and independence and having engaged lives in their communities.

4.2 Financial Implications
(Will decisions be carried out within existing finance and Resources?)

The proposed revised sheltered housing service forms part of the Housing Revenue Account and is anticipated to cost £2.874m per annum excluding overheads from 2017/18 onwards(subject to approval of the Council Business Plan and Budget 2017+). The cost of the service will be funded from a combination of service charges to tenants (£1.819m) and contributions from the People Directorate (£0.057m), with the residual costs (£1.424m) from tenants rents and other Housing Revenue Account income Details of the costs and funding of individual elements of the service are set out in the following table.

	Cat I / SHR	**Cat II / Extra Care**	**Floating Support**	**Hospital Discharge**	**Re-designation / Admin Support**	**Total**
	£'000	£'000	£'000	£'000	£'000	£'000
Costs						
Employees	744	409	415	92	315	1,975
Premises	669	77				746
Transport	6	3	3	1	2	15
Training	6	3	3	1	2	15
Equipment	6	3	3	1	2	15
Supplies & Services	97	11				108
Total Direct Costs	**1,528**	**506**	**424**	**95**	**321**	**2,874**
Overheads @ 20%	306	101	-	19	-	426
Gross Costs	**1,834**	**607**	**424**	**114**	**321**	**3,300**
Funding						
Recharge to People Directorate				(57)		(57)
Service Charge Income	(1,572)	(247)				(1,819)
Residual Cost funded from HRA	(262)	(360)	(424)	(57)	(321)	(1,424)
Total Funding	**(1,834)**	**(607)**	**(424)**	**(114)**	**(321)**	**(3,300)**
Properties affected	4,382	508	N/A	N/A	N/A	4,890
Weekly Service Charge	£6.90	£9.35	N/A	N/A	N/A	

Due to the proposed reconfiguration of the service, it is only possible to undertake a comparison between the direct budgets for the existing and proposed service in overall terms. This comparison is set out in the following table.

	Existing Service 2016/17 £'000	Proposed Service 2017/18 £'000	Variation £'000
Direct Costs	4,022	2,874	(1,148)
Service Charge / Recharge Income	(1,570)	(1,876)	(306)
Net Cost to the HRA	**2,452**	**998**	**(1,454)**

The proposed service redesign will result in a substantial reduction in numbers of employees required to operate the service, although the majority of this reduction can be delivered through the deletion of vacant posts. This is summarised in the following table.

Grade	Current Budget fte	Proposed Budget fte	Variation fte	Note: Current in post fte
GR5	1	1	-	1
GR4	9	6	(3)	7.6
GR3	91	51	(40)	45.4
GR2	8	3	(5)	2.1
Total	**109**	**61**	**(48)**	**56.1**

Based on the above costs the proposed weekly service charges from 3 April 2017are:

- Cat I - £6.90 (previously £6.71)
- SHR - £6.90 (previously £4.59)
- Cat II and Extra Care - £9.35 (previously £6.71)

4.3 Legal Implications

The Housing Act 1985, Part II requires every local housing authority to consider housing conditions in their district and the needs of the district with respect to the provision of further housing accommodation. The Act further provides that the local authority may acquire houses or buildings for housing purposes. Under Section 24 a local housing authority may make such reasonable charges as they may determine for the tenancy or occupation of their houses.

4.4 Public Sector Equality Duty

A copy of the Equality Act 2010 – Public Sector Duty statement is appended – Appendix 2A together with the initial equality assessment screening – Appendix 2B.

5. Relevant background/chronology of key events:

5.1 There are 4890 sheltered housing units across 127 sheltered housing schemes within the Housing Revenue Account managed by the Place Directorate. The sheltered housing service provides housing related support to assist older people who are vulnerable to live as independently as possible

.

5.2 Until 2012/13, the support element of the sheltered housing service was funded through Supporting people Grant (£2.7m per annum), with the property related element being funded through service charges to tenants in receipt of the service. In 2013/14, all Supporting People funding to the HRA sheltered housing service ceased. Since this time the support element of the services provided to tenants has been fully funded through the Housing Revenue Account, whilst options for the future delivery and funding of the service were considered. Given the substantial savings to be delivered within the HRA (of £42m per annum by 2019/20), this arrangement cannot continue going forward. The service charge elements have been calculated to ensure the amounts charged to tenants are eligible for Housing Benefit. It should be noted that Housing Benefit cannot fund any direct support or care that is provided to the tenant, but is limited to property related costs. This has necessitated the need to propose a change in the current roles undertaken as a part of this service.

5.3 Following the work undertaken by the Chartered Institute of Housing in 2014/15, residents were asked what was important to them about the sheltered housing service. The consultation told us that residents wanted more of an site presence and would like to see a handy person type role. We have developed a recommended future operating model as outlined below.

1. <u>High Rise and Category I schemes –</u>

There are 35 high rise schemes that were designated as sheltered accommodation in the 1980s with a ground floor flat being used as the communal lounge. Many of these schemes do not meet the needs of older people.

Category I schemes tend to be purpose built with properties dispersed around a communal lounge. These schemes have common rooms and some have laundry and well- being rooms. In Birmingham we do have some schemes that were not purpose built and were previously general needs housing.

Under the future operating model there would be provision of a dedicated twice weekly visit to each scheme covering:

a) health and safety checks for the scheme including a property risk assessment
b) management of any contractors visiting the scheme (e.g. cleaning contractors)
c) provision of a low level handy-person service for any repairs that are not part of the housing repairs and maintenance contract, i.e. changing light bulbs, support in demonstrating how to use the heating system, putting up curtain rails. These were priorities for residents as detailed through the consultation
d) providing advice and assistance on housing matters including referring for other support where required

2. Category II and Extra Care schemes

These schemes are purpose built and have communal facilities that support an older person to live independently. These include assisted bathrooms, well-being rooms, guest bedrooms, mobility scooter rooms and walk in showers. Some schemes also offer meal services in partnership with Age Concern.

The future service model at these schemes aims to maintain the existing dedicated support service which will provide a combination of housing related support, management of the building, housing management duties such as lettings and take to views and also help to facilitate and encourage residents to attend activities in the schemes as part of the well-being agenda.

The extra care schemes are run in partnership with Adults Social Care and offer residents independent living supported by a combination of care and support services. Allocations to these schemes aim to keep a balance of care within the scheme.

3. Floating support service for older people

The numbers of older people who live in sheltered housing make up approximately only 5% of our older council tenants. It has been shown that good housing related support can slow down an individual's entry into residential care which can save £28,000 per individual per year to the social care budget.

Under the future service model the floating support service would:

a) Support an older person to help them sustain their tenancy across all BCC stock, not just sheltered housing.

b) Help someone to live independently by ensuring that they have all the right services in place to achieve this.

c) Encourage and signpost individuals to access social activities to improve their well-being.

4. Hospital Discharge service

The hospital discharge service was set up in April 2010 to assist with delayed discharges where delays were due to housing issues. Prior to the service being implemented there were lengthy delays in hospitals due to no links being in place between social workers, health professionals and housing officers. In the last financial year ending 31st March 2016, 287 referrals were received and the team assisted 144 patients. It is not proposed to change this element of the service. The People Directorate has also agreed to fund 50% of the cost of this service.

5. Re-designation project team

A programme of re-designation to change some of the less popular sheltered high rise schemes into general needs housing forms an important part of the service transformation. This requires careful management and is currently undertaken by a dedicated project team of 4 officers to ensure that adverse impacts on tenants are minimised. This project team will need to be continued until all re-designation activity has been concluded. The time period for this is likely to be around 5 years.

6.	Evaluation of alternative option(s):

6.1 Discontinuing with the service with effect from 1st April 2017- set in the context of safeguarding responsibilities, the Health and Well Being agenda, the challenges faced by Adults Social Care to keep older people staying at home and out of residential care, there are opportunities to improve the lives of older people which would be lost by ceasing the support service.

The City Council is aware that people are living longer and a third of our council tenancies have a member of the household who is over the age of 60. As a landlord the City Council must ensure that it delivers effective tenancy management to enable tenants to sustain their tenancies. Wholesale discontinuation of the support service would leave a gap and create associated risk.

6.2 Fully fund through tenants rents and other Housing Revenue Account income – it is inappropriate for the costs of service delivery to be funded from the wider tenant base of 63000 given that the benefits of the services are only delivered in relation to 4890 properties. This approach also imposes an unaffordable pressure on the overall HRA following the 1% per annum reduction in rent charges for 4 years which will result in an on-going reduction in HRA resources of £42 million per annum by 2020.

6.3 Identify alternative funding - the service will continue to explore this option and have already been successful in securing funding from the People Directorate to fund 50% of the Hospital Discharge service (£57,000). Any further funding identified will either allow the level of service charges to be reduced, or reduce the residual financial burden on the HRA. It is however likely that the scope of any such additional funding is likely to be limited.

6.4 Retain the existing service model, but increase service charges **–** Service charges on sheltered housing schemes currently range from £4.59 to £ 6.71 per week. The income from this funds the maintenance and cleaning of the common rooms, it does not contribute to any of the costs relating to support officers. Nationally, service charges are typically in the region of £18.00 per week. (Figure provided by Chartered Institute Of Housing).

In order to be eligible for Housing benefit, any service charges needs to be calculated by reference to property related costs, rather than person related support costs. This substantially limits the scope to increase charges to recover other costs incurred whilst retaining Housing Benefit eligibility.

7.	Reasons for Decision(s):

7.1 To ensure that a service is delivered to help tenants retain their independence and provide support to those that need it.

7.2 To ensure the financial sustainability of the service going forward.

Signatures		**Date**
Cabinet Members		
	…….	…….
	Cllr Peter Griffiths Cabinet Member for Housing and Homes	
	……	…….
	Cllr Ian Ward Deputy Leader	
Chief Officer		
	……..	……
	Jacqui Kennedy Acting Strategic Director of Place	

List of Background Documents used to compile this Report:
Nil

List of Appendices accompanying this Report (if any):
1. Analysis – Sheltered Housing review 2A. Public Sector Equality Statement 2B. Equality Analysis

Report Version		**Dated**	

Directorate for People
Commissioning Centre of Excellence
Analysis consultation Sheltered Housing Service Review

Purpose
To analyse the consultation findings relating to a range of options to enable Birmingham City Council to continue to provide a service to sheltered housing customers.

Produced by Strategy & Research Team
Commissioning Centre of Excellence People Directorate
October 2016 – version 4

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- 1.1What this means:
  - 1.11Sheltered high rise (SHR) and Category 1 schemes
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- 3.2 Analysis

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6.0 Appendices:
- Appendix A – Summary of questions
- Appendix B – Analysis coding
- Appendix C – Data

1.0 INTRODUCTION

Birmingham City Council (the Council) recently carried out a review of our sheltered housing service, looking at a range of options to enable us to continue to provide a service to our sheltered housing customers. The options included:

- Continuing with the service in its current form – we have been unable to do this due to the loss of Supporting People funding.
- Discontinue the service – we believe that this could pose risks to those tenants who currently are in receipt of the service.
- Review service charges – this would allow us to deliver the service that tenants told us that they wanted as outlined below.

In 2014 Birmingham City Council consulted with sheltered housing residents on how we can improve older persons' services across the Place Directorate. We wanted to learn what was important to our customers. During those discussions you told us that you wanted to know when staff would be on site and that you would like help with low level repairs. We also held a number of events across the city throughout June and July 2016 to outline our proposals to you.

We want to ensure that older people have the opportunity to live in homes and environments that make a positive contribution to health and wellbeing. We will do this by enabling an active, healthy lifestyle; combating social isolation and helping to mitigate the effects of dementia.

We have listened to the issues that you raised with us and wanted to outline and consult on our preferred option for the delivery of the future service.

1.1 What this means:

1.11 Sheltered high rise (SHR) and Category 1 schemes

There will be a neighbourhood sheltered officer who will visit the scheme two to three times a week, depending on the size of the scheme. They will:

- Carry out all health and safety checks for the scheme including a property risk assessment.
- Manage any contractors who attend the scheme.
- Provide a low level handy person service which may include; changing light bulbs, fitting key safes, helping with hanging curtains or changing plugs.

There will be an increase in the service charge, between £2 and £5, but for the majority of residents this will be covered by housing benefit.

In addition there will also be the option of floating support. The aim would be to:

- Support someone to maintain their tenancy.
- Help someone to live independently.
- Encourage and signpost individuals to access social activities to improve their wellbeing.

The support may include; managing finances, accessing social and leisure activities, accessing falls and safety measures or arranging assessments for homecare or any other adult service.

1.12 Other sheltered schemes (Cat 11 and extra care schemes)

The aim is to provide a dedicated support service which will include:

- Health and safety of the building.
- Some housing management duties such as lettings, take to views and managing low level anti-social behaviour.
- Facilitating and encouraging residents to attend wellbeing activities.
- Providing support in line with individual needs that will be determined through a support plan. This will be completed in consultation with sheltered housing customers.

There will be an increase in the service charge, between £2 and £5, but for the majority of residents this will be covered by housing benefit.

2.0 KEY FINDINGS

Key findings consultation

- 40% of respondents were satisfied with the proposed increase in service charges. (33% dissatisfied).
- 57% of respondents stated that the handy person service was important to them. (Over a quarter felt it was unimportant).
- Changing light bulbs was seen as the most important handy person service. (48%), and 28% stated it was very important.
- Moving items such as pictures was seen as the least important handy person service, with 37% stating it was unimportant and only a third of respondents saying it was important.
- 42% of respondents felt that a floating support service was important. (14% unimportant).
- Over 45% of respondents felt that support to maintain a tenancy and to live independently in your own home were important. (48% living independently).
- 21% of comments related to a person (officer or warden) being present on site.
- Flexible and continuing support was seen as important.
- Several respondents mentioned social activities, including gym classes, as important to them.
- Many comments related to gardening, repairs being carried out and rubbish removal.
- Contact and communication was mentioned as important by several respondents.

3.0 METHODOLOGY

3.1 Consultation

Following a review of the Council's sheltered housing service, which included consultation with residents the Council wanted to consult on their preferred option for delivery of the future service. This was primarily a questionnaire based exercise, a summary of the questions can be seen in Appendix A, with both electronic and hard copies available and a range of methods to respond including email and post.

There are 5,357 residents in our sheltered housing and extra care stock. Every resident was provided with the opportunity to complete a questionnaire and 1,525 responded. Therefore, the response rate is 29%.

3.2 Analysis

All responses were recorded on a consultation database and analysed using Excel.

The responses were coded to enable detailed analysis and the codes can be seen in Appendix B. The quantitative responses were analysed using Excel pivot tables providing a number of how many people were satisfied with a proposal or whether they were important or unimportant to them. The findings can be seen in section 4.0 Findings.

The qualitative responses to the final question, *please let us know of any other service you think is important*, were analysed in two different ways:

- All comments were considered overall and any emerging themes/common issues were highlighted accordingly.
- The comments were also then coded (codes can be seen in Appendix B) using a range of themes. This approach enabled the responses to be evaluated with a quantitative approach and the number of comments under each theme to be counted. Therefore, it could be established how many people thought similar services were important to them.

4.0 FINDINGS

4.1 Quantitative analysis

KEY FINDINGS

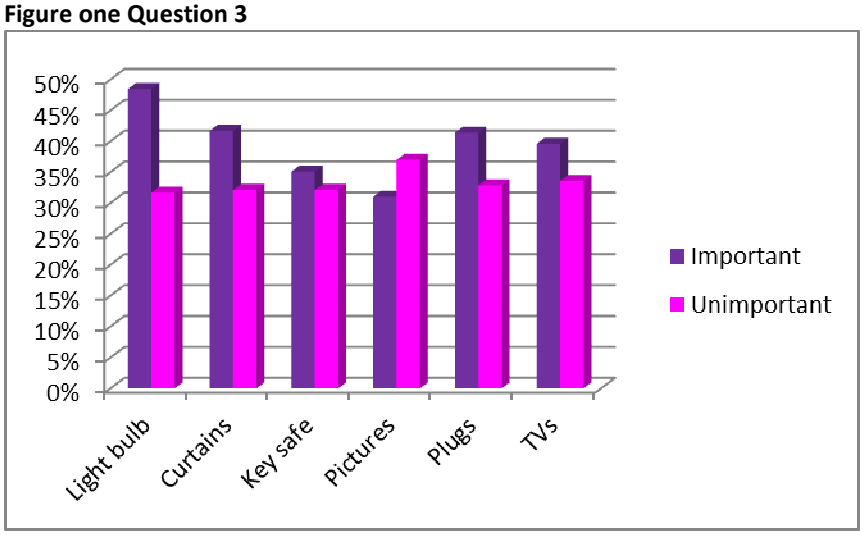
- 40% of respondents were satisfied with the proposed increase in service charges. (33% dissatisfied).
- 57% of respondents stated that the handy person service was important to them. (Over a quarter felt it was unimportant).
- Changing light bulbs was seen as the most important handy person service. (48%), and 28% stated it was very important.
- Moving items such as pictures was seen as the least important handy person service, with 37% stating it was unimportant and only a third saying it was important.
- 42% of respondents felt that a floating support service was important. (14% unimportant).
- Over 45% of respondents felt that support to maintain a tenancy and to live independently in your own home were important (48% living independently).

There were 1,449 responses recorded for question 1 regarding the proposed increase in service charge, equating to 95% of all respondents. Overall 40% of respondents were satisfied with the proposed increase in the service charge; whilst 33% were dissatisfied (22% stated they were very dissatisfied). Almost a quarter of people who answered this question had no particular view about the proposed increase.

There were 1,459 responses recorded for question 2 which asked how important a handy person service was, equating to 96% of all respondents. Overall 57% of respondents stated that the handy person was an important service, with 27% saying it was very important. Over a quarter of respondents felt that this service was unimportant, but only 9% felt it was very unimportant.

For question 3 the most responses in respect of services delivered by the handy person was recorded for changing light bulbs (1,410), followed by helping to hang curtains, changing plugs and tuning TVs. Out of all the services help in changing light bulbs was seen as the most important with 48% stating that it is an important service and 28% seeing it as very important. Moving items such as pictures was seen as the least important service, with 37% saying they saw it as being unimportant and 12% very unimportant. A quarter of respondents felt that helping to hang curtains, changing plugs or tuning TVs was very important. Figure one illustrates this.

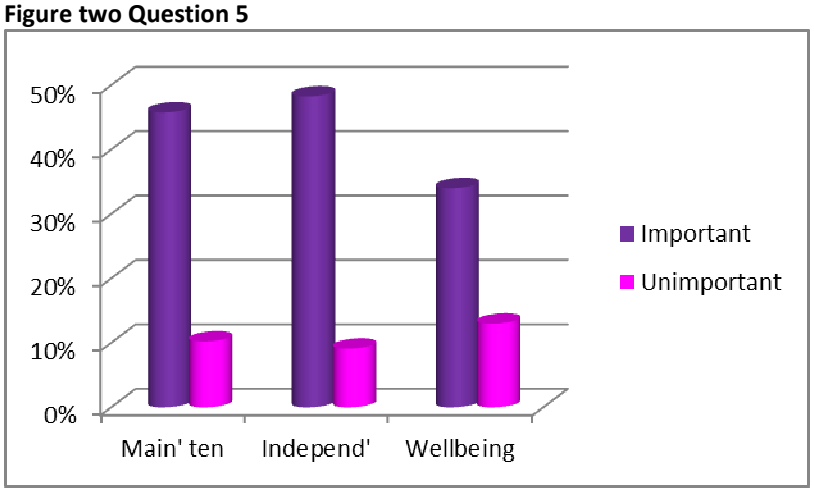
Figure one Question 3



Question 4 asked respondents how important a floating support service is to them. Overall 42% of respondents felt it was an important service, whilst 23% stated it was very important. Only 14% of respondents said it was unimportant to them.

Question 5 moves on to ask respondents how important each of the three proposed elements to the floating support service are to them. All three elements; support to maintain tenancy, support to live independently in your own home and support to attend wellbeing activities, were seen as important, with wellbeing activities rated as the least. But even so, 34% of respondents still felt it was an important element. A third of respondents stated that support to live independently in your own home was very important and 48% rated it as important. Overall 46% felt that support to maintain a tenancy was important, but fewer respondents felt it was very important, 31% compared to support to live independently. Very few people felt that these elements of the service were unimportant. Figure two illustrates the percentage split, important and unimportant, for each element.

Figure two Question 5



4.2 Qualitative analysis

KEY FINDINGS

- 21% of comments related to a person (officer or warden) being present on site.
- Flexible and continuing support was seen as important.
- Several respondents mentioned social activities, including gym classes, as important to them.
- Many comments related to gardening, repairs being carried out and rubbish removal.
- Contact and communication were mentioned as important by several respondents.
- Services/improvements to communal areas were highlighted as important services.

The final question asked respondents to let us know of any other service that they think is important. Overall there were 256 comments across a range of themes. The service most mentioned was someone being always available on site and 15% of comments related to this including:

> "For those with long term illness and ongoing health issues knowing someone is around can make all the difference".

There were similar comments correlating with this theme relating to a support officer being present five days a week and a full time warden being seen as important. When grouped together this theme of a full time presence at schemes represents 21% of all the comments.

Perhaps related to the above, 5% of comments was regarding regular contact with someone and communication for example using the intercom. One person stated:

> "Being able to talk to someone on site".

There were several comments related to the fact that support and flexible support are seen as important (8%), whilst 9 people felt they couldn't comment as they either hadn't used the service or wouldn't know until the changes happened.

Just over 6% of comments felt that decorating and general help around the home was important.

Respondents also mentioned the need for repairs to be carried out, rubbish removed and social activities such as exercise classes. One respondent stated:

> "Like to see day trip for the older people every now and then".

There were also a range of comments concerning communal facilities and areas:

- 6% highlighted gardening as an important service.
- 6% focused on general repairs.
- 4% reflected the need to improve common rooms and general appearance of communal areas.

One person commented:

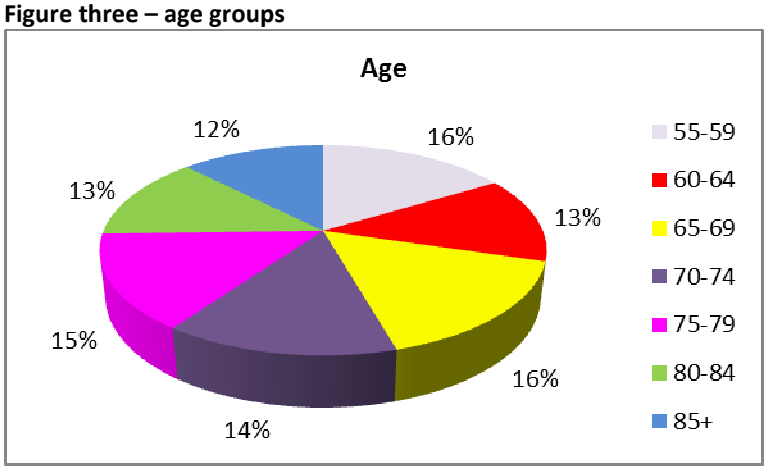
> "Caretaker to maintain the hallways and the lifts to all flats vac hallways pick up rubbish from the lifts and mopping the lifts".

An issue raised by three people was the presence of children in some schemes and the fact that there should be an enforced age restriction.

5.0 DEMOGRAPHICS

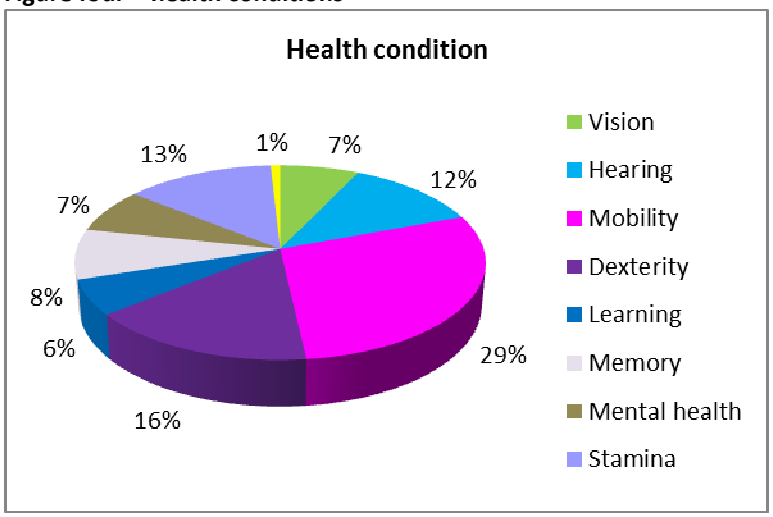
There was a fairly even spread of respondents across the age groups as illustrated in Figure three.

Figure three – age groups



Just over half the respondents were female and 45% male. Almost 90% had a White ethnic background and nearly three quarters of respondents stated they had a health condition. The most common health condition was mobility and Figure four shows the percentage of respondents for each condition recorded.

Figure four – health conditions



6.0 APPENDICES

Appendix A – Summary of questions

Question 1

How do you feel about the proposed increase in service charges?

- Satisfied.
- Fairly satisfied.
- No view.
- Fairy dissatisfied.
- Dissatisfied.

Question2

Is a handy person service important to you?

- Very important.
- Fairly important.
- Important.
- Neither.
- Unimportant.
- Fairly important.
- Very important.

Question 3

Please tell us how important the following services provided by the handy person are to you:

- Changing light bulbs.
- Helping hang curtains.
- Fitting a key safe.
- Moving items such as pictures.
- Changing plugs.
- Tuning TVs.

Question 4

How do you rate the proposed floating support service?

- Very important.
- Fairly important.
- Important.
- Neither.
- Unimportant.
- Fairly important.
- Very important.

Question 5

How important are each of the proposed elements of the floating support service?

- Support to maintain tenancy.
- Support to live independently in your own home.
- Support to attend wellbeing activities.

Question 6

Please let us know of any other service you think is important.

There was also a range of questions about you, for example age and ethnicity.

Appendix B – Analysis coding

Sheltered housing review quantitative

Question 1

A – Satisfied.
B – Fairly satisfied.
C – No view.
D – Fairly dissatisfied.
E – Dissatisfied.

Question 2

A – Very important.
B – Fairly important.
C – Important.
D – Neither.
E – Unimportant.
F – Fairly important.
G – Very important.

Question 3

For all elements

A – Very important.
B – Fairly important.
C – Important.
D – Neither.
E – Unimportant.
F – Fairly important.
G – Very important.

Question 4

A – Very important.
B – Fairly important.
C – Important.
D – Neither.
E – Unimportant.
F – Fairly important.
G – Very important.

Question 5

For all elements

A – Very important.
B – Fairly important.
C – Important.
D – Neither.
E – Unimportant.
F – Fairly important.
G – Very important.

Sheltered housing review qualitative

Code	Theme/issue
A	Support officer 5 days a week.
B	Full time warden.
C	Exercise classes.
D	Social activities.
E	Won't know until changes or haven't used any of these services.
F	Careline important.
G	Someone always available on site.
H	Support and flexible support important.
I	Happy with service or all important.
J	Tackle ASB.
K	Filling in forms and reporting problems.
L	Gardening.
M	General repairs and decorating communal areas.
N	Rubbish removal.
O	Miscellaneous.
P	Decorating, general help around the house and running errands.
Q	Isolation and loneliness.
R	Contact and communication.
S	Concerns over charges.
T	Computer/IT support.
U	Improved common room/communal facilities.
V	Age appropriate/no children in scheme.

Appendix C – Data

Please note percentages were calculated using the total number of respondents, 1,525, not the total responses to each question.

Table one illustrates responses to question 1.

Table one Question 1

Code	No'		Code	%
A	306		A	20%
B	304		B	20%
C	339		C	22%
D	163		D	11%
E	337		E	22%
Total	**1449**		**Total**	**95%**

Table two illustrates responses to question 2.

Table two Question 2

Code	No'		Code	%
A	418		A	27%
B	229		B	15%
C	218		C	14%
D	175		D	11%
E	240		E	16%
F	49		F	3%
G	130		G	9%
Total	**1459**		**Total**	**96%**

Tables three, four, five, six, seven and eight illustrate responses to question 3.

Table three Question 3

Light bulb				
Code	**No'**		**Code**	**%**
A	424		A	28%
B	151		B	10%
C	164		C	11%
D	188		D	12%
E	269		E	18%
F	41		F	3%
G	173		G	11%
Total	**1410**		**Total**	**92%**

Table four Question 3

Curtains

Code	No'
A	325
B	142
C	169
D	196
E	273
F	43
G	174
Total	**1322**

Code	%
A	21%
B	9%
C	11%
D	13%
E	18%
F	3%
G	11%
Total	**87%**

Table five Question 3

Key safe

Code	No'
A	283
B	102
C	150
D	220
E	275
F	42
G	173
Total	**1245**

Code	%
A	19%
B	7%
C	10%
D	14%
E	18%
F	3%
G	11%
Total	**82%**

Table six Question 3

Pictures

Code	No'
A	229
B	113
C	131
D	236
E	331
F	48
G	185
Total	**1273**

Code	%
A	15%
B	7%
C	9%
D	15%
E	22%
F	3%
G	12%
Total	**83%**

Table seven Question 3

Plugs

Code	No'	Code	%
A	360	A	24%
B	117	B	8%
C	154	C	10%
D	190	D	12%
E	281	E	18%
F	47	F	3%
G	173	G	11%
Total	**1322**	**Total**	**87%**

Table eight Question 3

TV

Code	No'	Code	%
A	322	A	21%
B	127	B	8%
C	155	C	10%
D	195	D	13%
E	278	E	18%
F	58	F	4%
G	176	G	12%
Total	**1311**	**Total**	**86%**

Table nine illustrates responses to question 4.

Table nine Question 4

Code	No'	Code	%
A	352	A	23%
B	113	B	7%
C	173	C	11%
D	151	D	10%
E	100	E	7%
F	24	F	2%
G	89	G	6%
Total	**1002**	**Total**	**66%**

Tables ten, eleven and twelve illustrate responses to question 5.

Table ten Question 5

Maintain tenancy

Code	No'
A	439
B	106
C	153
D	99
E	75
F	16
G	65
Total	**953**

Code	%
A	29%
B	7%
C	10%
D	6%
E	5%
F	1%
G	4%
Total	**62%**

Table eleven Question 5

Live independently

Code	No'
A	480
B	100
C	156
D	91
E	64
F	14
G	61
Total	**966**

Code	%
A	31%
B	7%
C	10%
D	6%
E	4%
F	1%
G	4%
Total	**63%**

Table twelve Question 5

Wellbeing

Code	No'
A	262
B	109
C	148
D	150
E	110
F	29
G	59
Total	**867**

Code	%
A	17%
B	7%
C	10%
D	10%
E	7%
F	2%
G	4%
Total	**57%**

Table 13 illustrates the number of qualitative responses coded by theme.

Table 13 Qualitative question

Code	No'		Code	%
A	7		A	3%
B	10		B	4%
C	3		C	1%
D	8		D	3%
E	9		E	4%
F	5		F	2%
G	38		G	15%
H	20		H	8%
I	10		I	4%
J	12		J	5%
K	15		K	6%
L	16		L	6%
M	15		M	6%
N	9		N	4%
O	23		O	9%
P	16		P	6%
Q	3		Q	1%
R	14		R	5%
S	6		S	2%
T	3		T	1%
U	11		U	4%
V	3		V	1%
Total	**256**		**Total**	**100%**

APPENDIX 2A

Equality Act 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

1	The Council must, in the exercise of its functions, have due regard to the need to: (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
2	Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to: (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic; (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
3	The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
4	Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to: (a) tackle prejudice, and (b) promote understanding.
5	The relevant protected characteristics are: (a) Marriage & civil partnership (b) Age (c) Disability (d) Gender reassignment (e) Pregnancy and maternity (f) Race (g) Religion or belief (h) Sex (i) Sexual orientation

Equality Analysis

Birmingham City Council Analysis Report

EA Name	Sheltered Housing Service
Directorate	Place
Service Area	Landlord Services
Type	New/Proposed Function
EA Summary	This is an assessment on the impact of a change in service for customers of sheltered housing and the staff that provide the service.
Reference Number	EA001404
Task Group Manager	wendy.o'malley@birmingham.gov.uk
Task Group Member	
Date Approved	2016-12-22 00:00:00 +0000
Senior Officer	carol.dawson@birmingham.gov.uk
Quality Control Officer	placeeaqualitycontrol@birmingham.gov.uk

Introduction

The report records the information that has been submitted for this equality analysis in the following format.

Initial Assessment

This section identifies the purpose of the Policy and which types of individual it affects. It also identifies which equality strands are affected by either a positive or negative differential impact.

Relevant Protected Characteristics

For each of the identified relevant protected characteristics there are three sections which will have been completed.

- Impact
- Consultation
- Additional Work

If the assessment has raised any issues to be addressed there will also be an action planning section.

The following pages record the answers to the assessment questions with optional comments included by the assessor to clarify or explain any of the answers given or relevant issues.

1 Activity Type

The activity has been identified as a New/Proposed Function.

2 Initial Assessment

2.1 Purpose and Link to Strategic Themes

What is the purpose of this Function and expected outcomes?
To re-design the service delivered to sheltered housing customers following the withdrawal of supporting people funding, to provide a static based service & floating service to older people in BCC stock. To be able to deliver a high quality service within budget constraints

For each strategy, please decide whether it is going to be significantly aided by the Function.

Children - A City To Grow Up In	No
A Healthy City	Yes

Comment:
Vulnerable sheltered citizens will be able to feel safe, living with dignity and independence and having engaged lives in their communities; citizens have access to fully integrated health and social care services that help maintain independence and provide care to those
who need it.

Housing	Yes

Comment:
Will meet the housing needs of Older People

Jobs And Skills	No

2.2 Individuals affected by the policy

Will the policy have an impact on service users/stakeholders?	Yes

Comment:
The impact will provide added value to customers through the proposed handyperson service, provide support to those citizens who need it helping them to remain independent and the programme of re designation and floating support will support the directorate in making the best use of its stock

Will the policy have an impact on employees?	Yes

Comment:
Job descriptions have been reviewed and have gone through the JEQ process. Staff will have the opportunity to express a preference for different roles that meet their individual skills

Will the policy have an impact on wider community?	No

2.3 Relevance Test

Protected Characteristics	Relevant	Full Assessment Required
Age	Relevant	Yes
Disability	Relevant	Yes
Gender	Relevant	Yes

Gender Reassignment	Not Relevant	No
Marriage Civil Partnership	Not Relevant	No
Pregnancy And Maternity	Not Relevant	No
Race	Not Relevant	No
Religion or Belief	Not Relevant	No
Sexual Orientation	Not Relevant	No

2.4 Analysis on Initial Assessment

The sheltered housing service provides housing related support which is designed to assist older people who are vulnerable to live as independently as possible for as long as they can and wish to. The aim is to be a key contributor to health and social care objectives in keeping people well at home, enabling them to return safely home after hospitalisation and preventing or delaying the need for social care and acute health services.

In 2013/14, all Supporting People funding to the HRA sheltered housing service ceased, since which point the service has been substantially subsidised by tenants rents as a part of the overall HRA. It is not considered appropriate or sustainable to continue this funding arrangement with a small number of HRA tenants effectively having enhanced services subsidised by other tenants not benefitting from the services. An initial report was presented to Housing Transformation Board and the cabinet member for Homes and neighbourhoods in August 2015 which outlined a number of options. This report sets out a proposed model that incorporates elements of 3 of the options identified namely;
. Increasing service charges
. Funding some aspects of the service through the HRA
. Identifying alternative funding such as the Better Care Fund

3 Full Assessment

The assessment questions below are completed for all characteristics identified for full assessment in the initial assessment phase.

3.1 Age - Assessment Questions

3.1.1 Age - Relevance

Age	Relevant

3.1.2 Age - Impact

Describe how the Function meets the needs of Individuals of different ages?
Proposals will meet the needs of older people generally aged 55+ (see data base) in relation to living in sheltered housing.

Do you have evidence to support the assessment?	Yes

Please record the type of evidence and where it is from?
Loss of supporting people revenue meant no funding stream any longer available. redesign required to ensure a future operating model. Changes to allocations Policy meant customers of 55+ now only qualify for sheltered accommodation.

You may have evidence from more than one source. If so, does it present a consistent view?	Yes

3.1.3 Age - Consultation

Have you obtained the views of Individuals of different ages on the impact of the Function?	Yes

If so, how did you obtain these views?
Consulted with People Directorate
Consulted with Health Authority
CIH appreciative enquiry - what customers want
CIH Consultations
Allocations Policy Consultations
CHLB
SHLB
DSHLB
Bench Marking with Solihull Council, Sandwell Council, Stroud Council.

Have you obtained the views of relevant stakeholders on the impact of the Function on Individuals of different ages?	Yes

If so, how did you obtain these views?
as above by bench marking, meetings with staff and service users
Reports to HTB & Cabinet member

CIH appreciative enquiry - what customers want
CIH Consultations
Allocations Policy Consultations
CHLB
SHLB
DSHLB
Questionnaires 121 consultations, meetings - minutes produced and distributed, ongoing

consultation and feedback.

Is a further action plan required?	Yes

3.1.4 Age - Additional Work

Do you need any more information or to do any more work to complete the assessment?	No
Do you think that the Function has a role in preventing Individuals of different ages being treated differently, in an unfair or inappropriate way, just because of their age?	No
Do you think that the Function could help foster good relations between persons who share the relevant protected characteristic and persons who do not share it?	Yes

Please explain how.
yes the service is about developing positive relationships between customers who live in sheltered accommodation regardless of age, gender,race etc. We do this by developing community activities and ensuring that everyone can be included

3.2 Disability - Assessment Questions

3.2.1 Disability - Relevance

Disability	Relevant

3.2.2 Disability - Impact

Describe how the Function meets the needs of Individuals with a disability?
Assessments are completed to meet individual needs of customers and the appropriate services are they co ordinated

Do you have evidence to support the assessment?	Yes

Please record the type of evidence and where it is from?
Census Data, Hou sheltered Data, Northgate data, Questionnaire feedback data, assessments

You may have evidence from more than one source. If so, does it present a consistent view?	Yes

3.2.3 Disability - Consultation

Have you obtained the views of Individuals with a disability on the impact of the Function?	Yes

If so, how did you obtain these views?
SHY Assessments, Questionnaires, , SHLB , DSHLB, face to face consultation meetings

Have you obtained the views of relevant stakeholders on the impact of the Function on Individuals with a disability?	Yes

If so, how did you obtain these views?
Case Studies, feedback from consultation and survey, meetings CIH consolation, workshops, tenant meetings, SHLB HLB City board

Is a further action plan required?	No

3.2.4 Disability - Additional Work

Do you need any more information or to do any more work to complete the assessment?	No
Do you think that the Function has a role in preventing Individuals with a disability being treated differently, in an unfair or inappropriate way, just because of their disability?	Yes
Do you think that the Function could help foster good relations between persons who share the relevant protected characteristic and persons who do not share it?	Yes
Do you think that the Function will take account of disabilities even if it means treating Individuals with a disability more favourably?	Yes
Do you think that the Function could assist Individuals with a disability to participate more?	Yes
Do you think that the Function could assist in promoting positive attitudes to Individuals with a disability?	Yes

Please explain how individuals may be impacted.

We carry out a needs assessment to ensure that an individuals needs are met in the most appropriate way

Please explain how.
The service aims to develop positive relationships with residents. This is done by encouraging all residents to attend activities on schemes and ensures that no one feels excluded

3.3 Gender - Assessment Questions

3.3.1 Gender - Relevance

Gender	Relevant

3.3.2 Gender - Impact

Describe how the Function meets the needs of Men and women?
The service is available to both men and women

Do you have evidence to support the assessment?	Yes

Please record the type of evidence and where it is from?
assessments that are carried out and Northgate information

You may have evidence from more than one source. If so, does it present a consistent view?	Yes

3.3.3 Gender - Consultation

Have you obtained the views of Men and women on the impact of the Function?	Yes

If so, how did you obtain these views?
Face to face meetings, Questionnaire

Have you obtained the views of relevant stakeholders on the impact of the Function on Men and women?	Yes

If so, how did you obtain these views?
Meetings, CIOH

Is a further action plan required?	No

3.3.4 Gender - Additional Work

Do you need any more information or to do any more work to complete the assessment?	No
Do you think that the Function has a role in preventing Men and women being treated differently, in an unfair or inappropriate way, just because of their gender?	No

3.4 Concluding Statement on Full Assessment

In developing this new service model we have given due regard to ensuring that we provide an inclusive service. We have carried out extensive consultation with service users who will be affected. We have also carried consultation with elected members and the cabinet member for Homes and neighbourhoods. Reports can be provided if required

4 Review Date

17/08/17

5 Action Plan

5.2 Age

Issue	we carry out a needs assessment to determine whether someone needs the service being provided

Action
Ensure that a comprehensive assessment is carried out to determine someone's need and ensure that the most appropriate service is provided

Resources
Existing staff

Target Start Date	17/08/2016
Target Completion Date	17/08/2017
Lead Officer	

Recommendations
Monitored through normal performance monitoring

Monitoring
as above

Outcomes
no major outcomes

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	**CABINET**
Report of: **Date of Decision:**	**DIRECTOR OF COMMISSIONING & PROCUREMENT** **24th JANUARY 2017**
SUBJECT:	**PLANNED PROCUREMENT ACTIVITIES (FEBRUARY 2017 – APRIL 2017) AND QUARTERLY CONTRACT AWARD SCHEDULE (OCTOBER 2016 – DECEMBER 2016)**
Key Decision: No	**Relevant Forward Plan Ref: n/a**
If not in the Forward Plan: **(please "tick" box)**	**Chief Executive approved** ☐ **O&S Chairman approved** ☐
Relevant Cabinet Member(s):	**Cllr Majid Mahmood – Value for Money and Efficiency**
Relevant O&S Chairman:	**Cllr Mohammed Aikhlaq, Corporate Resources and Governance**
Wards affected:	**All**

1. Purpose of report:

1.1 This report provides details of the planned procurement activity for the period November 2016 – January 2017 and all contract award decisions made under Chief Officer's delegation during the previous quarter. Planned procurement activities reported previously are not repeated in this report.

2. Decision(s) recommended:

That Cabinet

2.1 Notes the planned procurement activities under officer delegations set out in the Constitution for the period February 2017 – April 2017 as detailed in Appendix 1.

2.2 Notes the contract award decisions made under Chief Officers delegation during the period October 2016 – December 2016 as detailed in Appendix 2.

Lead Contact Officer (s):	
	Nigel Kletz Corporate Procurement Services Corporate Resources
Telephone No:	0121 303 6610
E-mail address:	Nigel.kletz@birmingham.gov.uk

3. Consultation

3.1 Internal

This report to Cabinet is copied to Cabinet Support Officers and to Corporate Resources and Governance Overview & Scrutiny Committee and is the process for consulting with relevant cabinet and scrutiny members. At the point of submitting this report Cabinet Members/ Corporate Resources and Governance Overview & Scrutiny Committee Chair have not indicated that any of the planned procurement activity needs to be brought back to Cabinet for executive decision.

3.2 External

None

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies

Details of how the contracts listed in Appendix 1 and Appendix 2 support relevant Council policies, plans or strategies, will be set out in the individual reports.

4.2 Financial Implications

Details of how decisions will be carried out within existing finances and resources will be set out in the individual reports.

4.3 Legal Implications

Details of all relevant implications will be included in individual reports.

4.4 Public Sector Equality Duty

Details of Risk Management, Community Cohesion and Equality Act requirements will be set out in the individual reports.

5. Relevant background/chronology of key events:

5.1 At the 1 March 2016 meeting of Council changes to procurement governance were agreed which gives Chief Officers the delegated authority to approve procurement contracts up to the value of £10m over the life of the contract. Where it is likely that the award of a contract will result in staff employed by the Council transferring to the successful contract under TUPE, the contract award decision has to be made by Cabinet.

5.2 In line with the Procurement Governance Arrangements that form part of the Council's Constitution, this report acts as the process to consult with and take soundings from Cabinet Members and the Corporate Resources and Governance Overview & Scrutiny Committee. It also informs members of the contracts awarded under Chief Officers delegation (£164,176 and over) between the period October 2016 – December 2016.

5.3 This report sets out the planned procurement activity over the next few months where the contract value is between the EU threshold (£164,176) and £10m. This will give members visibility of all procurement activity within these thresholds and the opportunity to identify whether any procurement reports should be brought to Cabinet for approval even though they are below the £10m delegation threshold.

5.4 Individual procurements may be referred to Cabinet for an executive decision at the request of Cabinet, a Cabinet Member or the Chair of Corporate Resources and Governance Overview & Scrutiny Committee where there are sensitivities or requirements that necessitate a decision being made by Cabinet.

5.5 Procurements below £10m contract value that are not listed on this or subsequent monthly reports can only be delegated to Chief Officers if specific approval is sought from Cabinet. Procurements above £10m contract value will still require an individual report to Cabinet in order for the award decision to be delegated to Chief Officers if appropriate.

5.6 A briefing note including financial information is appended to the Private report for each item on the schedule.

6. Evaluation of alternative option(s):

6.1 The report approved by Council Business Management Committee on 16 February 2016 set out the case for introducing this process. The alternative option is that individual procurements are referred to Cabinet for decision.

7. Reasons for Decision(s):

7.1 To enable Cabinet to identify whether any reports for procurement activities should be brought to this meeting for specific executive decision, otherwise they will be dealt with under Chief Officer delegations up to the value of £10m, unless TUPE applies to current Council staff.

7.2 To inform Cabinet of contract award decisions made under Chief Officers delegation during the period October 2016 – December 2016 as detailed in Appendix 2.

Signatures:	
	Date:
Name of Officer: ……..……	……
Nigel Kletz – Director of Commissioning & Procurement	
……..……	…….
Councillor Majid Mahmood, Value for Money and Efficiency	

List of Background Documents used to compile this Report:

List of Appendices accompanying this Report (if any):
1. Appendix 1 - Planned Procurement Activity February 2017 – April 2017
2. Appendix 2 – Quarterly Award Schedule October 2016 – December 2016

Report Version	1	**Dated**	09/01/2017

APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (FEBRUARY 2017 – APRIL 2017)

Type of Report	Title of Procurement	Ref	Brief Description	Contract Duration	Directorate	Portfolio Value for Money and Efficiency Plus	Finance Officer	Contact Name	Planned CO Decision Date	Comments - including any request from Cabinet Members for more details	Living Wage to apply Y / N
Approval To Tender Strategy	Management and Employee Development Training Services Framework Agreement	P0371	Organisational Development, within HR, is looking to establish a framework agreement for the delivery of a range of training courses that the Council's employees may require during the proposed framework period, of 4 years. This will support the upskilling of employees in skills needed to support the Council of the future.	4 years	Corporate Resources	Deputy Leader	Alison Jarratt	Andrea Burns / Debbie Husler	14/02/2017		Y
Approval To Tender Strategy	Design and Build of School Kitchens and Minor Works – Cityserve	P0315	To establish a framework to enable Cityserve to deliver its obligations in respect of a recently secured contract to design, build and refurbish new and existing school kitchens.	2 years, plus 2 years option to extend	People	Health & Social Care	Shabir Ladak	Mohammed Yahiah	13/04/2017		Y
Approval To Tender (SCN)	Third Sector Grant - Vulnerable Adults	TBC	Third Sector Grants provide support services to older and vulnerable Citizens, to help them achieve and/or maintain independent living. The aim of preventative services is to promote independence by reducing negative dependency and empowering citizens to do as much as they can for themselves for as long as possible. One way of doing this is to keep them active and engaged within their own communities and neighbourhoods.	1 year with the option to extend for a further 6 months	People	Health & Social Care	Shabir Ladak	Emma Fitzgibbons/ Rita Adams	13/06/2017		Y

Appendix 2 – Quarterly Contract Award Schedule (OCTOBER 2016 – DECEMBER 2016)

Type of Report	Title of Procurement	Ref	Brief Description	Contract Duration	Directorate	Portfolio Value for Money and Efficiency Plus	Finance Officer	Contact Name	Comments - including any request from Cabinet Members for more details	Contractor(s) Awarded to	Chief Officer	Actual Go Live date
Strategy / Award	Merchant Acquirer Service	P0231	A merchant acquirer service is required by the Council to offer citizens the facility to make payments by debit or credit card. This could be by chip and pin (face to face), over the telephone or online.	2 years plus 2 years option to extend	Economy	Deputy Leader	Jayne Bench	Lisa Haycock / Fitzroy Pencil	Presented to Cabinet for info 16/02/2016. Strategy / Award Report signed **26/09/2016. After further analysis was undertaken the transactional volumes were found to be less than the original estimate, hence the lower contract value.**	Barclays Bank Plc (T/A Barclaycard) World Pay Limited	Nigel Kletz / Jean Robb	01/10/2016
Delegated Contract Award	Contract Hire of Small Mechanical Sweepers	T0069	Providing a statutory Street Cleansing Service for all 40 of the Council's wards. The current fleet of street sweepers owned by the Council is aging and reaching the end of their useful life. Service delivery is being compromised as there is a requirement that the vehicles are operational 7 days a week.	3 years	Place	Clean Streets, Recycling and Environment	Paul Quinney	Asha Kadara / Mohammed Yahiah	Presented to Cabinet for info 17/05/2016. Strategy / Award Report signed **07/10/2016**. **The difference between the tendered prices and PPAR reflects the number of sweepers hired in this phase and the final agreed rental charge. When the prudential borrowing on the remaining sweepers is repaid there may be a need to contract hire additional sweepers up to the maximum estimated value detailed within the PPAR Report.**	Dawsonrentals Materials Handling Equipment Limited T / A Dawsonrentals Sweepers (Dawsonrentals).	Nigel Kletz / Jacqui Kennedy	14/10/2016
Delegated Contract Award	Building Services and Fabric Maintenance for the Library of Birmingham	P0240	Planned and reactive maintenance works of the building services and fabric assets for the Library of Birmingham are required in order to maintain functionality of the Building Management Systems and warranties and to maximise asset life.	1 year	Place	Deputy Leader	Sukvinder Kalsi	Marie Hadley	Presented to Cabinet for info 20/09/2016. SCN signed **30/09/2016**. Delegated Award Report signed **10/10/2016**.	Airtech Optimise Limited	Nigel Kletz / Jacqui Kennedy	07/10/2016
Delegated Contract Award	Increase in Independent Mental Capacity Advocacy	C0142	Advocacy services for vulnerable citizens in terms of mental health, mental capacity and who need to make important decisions about serious medical treatment, a care review, changes of accommodation, or an adult protection case.	6 months	People	Health and Social Care	Shabir Ladak	Osaf Ahmed / Robert Cummins	Presented to Cabinet for Info 29/07/2013. This was an extension of the potential value of the current contract. This is a framework call-off contract so there is no commitment to spend. The total anticipated spend on this contract, including this increase will be below that originally stated to cabinet 29/07/2013 via Planned Procurement Activity Report. Delegated Contract Award Report signed **14/10/2016**.	PoHWER	Nigel Kletz / Peter Hay	01/10/2016
Delegated Contract Award	Intensive Family Support for Disabled Children and their Families	TBC	The Intensive Family Support service is a city wide specialist service for children and young people with disabilities and their families who are referred by Disabled Children's Social Care.	1 year, 2 months	People	Children, Families and Schools	Anil Nayyar	John Freeman	Presented to Cabinet for info 26/07/2016. SCN signed **25/08/2016**. Delegated Contract Award Report signed **19/10/2016**.	Barnado's	Nigel Kletz / Peter Hay	01/08/2016
Delegated Contract Award	Short Breaks for Disabled Children with Complex Needs	TBC	Short breaks are provided during all school holidays, at weekends and after school, plus there is an overnight short breaks respite service.	Proposed 20 month extension for 1 service and 7 x 18 month extensions	People	Children, Families and Schools	Anil Nayyar	John Freeman	Presented to Cabinet for info 26/07/2016. SCN signed **25/08/2016**. Delegated Contract Award Report signed **19/10/2016**.	1) Dens of Equality 2) Sense 3) Resources for Autism 4) Communication and Autism Team 5) Sutton Coldfield YMCA 6) Midland Mencap 7) Acorns Children's Hospice 8) Core Assets Children's Services for 20 months extension	Nigel Kletz / Peter Hay	01/10/2016 01/08/2016

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Type of Report	Title of Procurement	Ref	Brief Description	Contract Duration	Directorate	Portfolio Value for Money and Efficiency Plus	Finance Officer	Contact Name	Comments - including any request from Cabinet Members for more details	Contractor(s) Awarded to	Chief Officer	Actual Go Live date
Delegated Contract Award	Healthy Living - Longbridge Area Action Plan	C0244	Provision of a single lead or consortia contract to deliver a healthy living programme in the Longbridge area.	3 years	People	Health and Social Care / Children, Families and Schools	Shabir Ladak	Charlene Mulhern / Tony Cole	Cabinet approved the Approval to Tender Strategy **19/07/2016** with Cabinet Member for Value for Money and Efficiency Jointly with the Strategic Director for People and delegated the award to CO. Delegated Contract Award Report signed **25/10/2016**.	Birmingham Sport and Physical Activity Trust t/a Sport Birmingham	Nigel Kletz / Peter Hay	01/11/2016
Delegated Contract Award	Supply of Fuel	U0063	Supply of Fuel - Ultra Low Sulphur Diesel, Petrol and Heating Oils . ULSD, petrol and heating oils are used by Fleet & Waste Management, Parks and Schools for the refueling of fleet vehicles, plant & machinery operated by Parks and for the heating of buildings. It should be noted that drivers of other Council vehicles purchase fuel from petrol stations using procurement or fuel cards.	6 months	Place	Deputy Leader	John Barr	Marion Jacobs	Presented to Cabinet for info 17/05/2016. SCN signed **30/06/2016**. Delegated Contract Extension Award Report signed **26/10/2016**.	Certas Energy (UK) Ltd	Nigel Kletz / Jacqui Kennedy	01/07/2016
Delegated Contract Award	Postal Ballot Pack Production and Electronic Verification of Returned Postal Votes	F0168	This requirement covers the printing and production of postal ballot paper packs, and processing of returned postal votes for all City Council Elections (CCE), European Elections (EE), Parliamentary Elections (PGE), West Midlands Police and Crime Commissioner Elections (PCCE) and By-Elections (BE), (usually caused by a death or resignation so which may be held at any time).	1 year, 9 months	Economy	Deputy Leader	Jayne Bench	Marie Hadley	Presented to Cabinet for info 17/05/2016. SCN signed **15/07/2016.** Delegated Contract Award Report signed **26/10/2016.** **The original estimate was based on an average historical spend over 3 years as elections are an unknown quantity, however, last year we had the general election and this year the referendum so this changed the figures.**	Idox Software Limited	Nigel Kletz	01/10/2016
Delegated Contract Award	Services for Children with Poor Emotional Wellbeing	TBC	Four emotional well-being services provide therapeutic interventions to children and young people affected by poor emotional health caused by issues such as low self-esteem, family breakdown, bereavement.	6 months	People	Children, Families and Schools	Anil Nayyar	John Freeman	Presented to Cabinet for info 26/07/2016. SCN Report signed **12/09/2016**. Delegated Contract Award Report signed **09/11/2016**. **This signed report was delayed due to unanticipated work that had to be done to respond to budget pressures.**	1) Spurgeons 2) Barnardo's 3) Beyong the Horizon	Nigel Kletz / Peter Hay	01/10/2016
Delegated Contract Award	Supply and Distribution of Milk & Dairy Products and Morning Goods	P0258	Supply and Distribution of Milk & Dairy Products and Morning Goods.	4 years	Corporate Resources	Deputy Leader	John Barr	Richard Tibbatts / Nikki Fox	Cabinet approved the Approval to Tender Strategy Report **17/05/2016** and delegated the award to CO. Delegated Contract Award Report signed **16/11/2016**. The original estimated value was advertised as £1.3m per annum as this value included free milk quantities which the council do not pay for.	Johal Dairies Limited	Nigel Kletz	02/01/2017
Delegated Contract Award	Supply and Distribution of Fresh Meat and Poultry, Cooked Meat, Sandwich Fillings and Associated Products	F0256R	Fresh Meat, Cooked Meat, Sandwich Fillings and associated products to approximately 270+ units throughout the city. This requirement now includes the legal duty on all state-funded schools in England, including academies and free schools to offer a free school lunch to all pupils in reception, year 1 and year 2 from September 2014.	3 years plus 1 year option to extend	Corporate Resources	Deputy Leader	John Barr	Richard Tibbatts / Nikki Fox	Presented to Cabinet for info **16/02/2015.** Approval to Tender Strategy Report **14/01/2016** and delegated the award to CO. Delegated Contract Award Report signed **16/11/2016**.	**Lot 1 & 2 - Supply and Distribution of Fresh Meat and Poultry, Cooked Meat** 1) Midland Foods Ltd **Lot 3 - Sandwich Fillings and Associated Products** 2) Brake Bros Ltd	Nigel Kletz	02/01/2017

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Type of Report	Title of Procurement	Ref	Brief Description	Contract Duration	Directorate	Portfolio Value for Money and Efficiency Plus	Finance Officer	Contact Name	Comments - including any request from Cabinet Members for more details	Contractor(s) Awarded to	Chief Officer	Actual Go Live date
Delegated Contract Award	Supply and Distribution of Fresh Halal Meat and Poultry, Halal Cooked Meat, Halal Sandwich Fillings and Associated Products	F0257R	Halal Fresh Meat, Cooked Meat, Sandwich Fillings and associated products to approximately 125+ units throughout the city. This requirement now includes the legal duty on all state-funded schools in England, including academies and free schools to offer a free school lunch to all pupils in reception, year 1 and year 2 from September 2014.	3 years plus 1 year option to extend	Corporate Resources	Deputy Leader	John Barr	Richard Tibbatts / Nikki Fox	Presented to Cabinet for info **16/02/2015.** Approval to Tender Strategy Report **14/01/2016** and delegated the award to CO. Delegated Contract Award Report signed **16/11/2016**.	**Lot 1 - Supply and Distributioin of Non-Stunned Products** 1) Global Hala Retail Ltd **Lot 2 - Supply and Distribution of Stunned Products** 1)) Midland Foods Ltd	Nigel Kletz	02/01/2017
Delegated Contract Award	Office and Households Removals and Storage **(ADDENDUM TO REPORT)**	P0223	Provide the City Council with the services required to facilitate the office relocation of Council staff and the domestic moves required by Birmingham Council tenants affected by clearance, major capital improvement and repair schemes, fire or flood damage, lease expiry and people moving into more appropriately sized accommodation releasing property in high demand.	4 years	Economy	Deputy Leader	John Barr	Lisa Haycock	Presented to Cabinet for info 20/04/2015. Approval to Tender Strategy signed **22/10/2015** and delegated the award to CO. Delegated Award Report signed **12/05/2016.** **Addendum Report signed 14/10/2016.**	**Previously stated in 26/07/2016 Planned Procurement Activities awarded to the companies stated below for:** **Lot 2 – Household Removal and Storage:** Movecorp Limited Villa Cross Garage Limited t/a W R Woolgar Removals **Lot 3 – Household Removal and Storage (temporary accommodation):** Movecorp Limited Villa Cross Garage Limited t/a W R Woolgar Removals **PLEASE NOTE: LOT 2 AND LOT 3 WILL BE RE-TENDERED.**	Nigel Kletz / Jon Warlow	
Delegated Contract Award	For the delivery of the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) Youth Employment Initiative – Youth Promise Plus **(ADDENDUM TO REPORT)**	P0314	To ensure the needs of Not in Employment, Education and Training (NEET) young people are met, in particular high need young people such as care leavers, those at risk of offending, and those with accommodation issues.	4 years	Economy	Learning Skills and Culture	Alison Jarrett	Shilpi Akbar / Ann-Marie Rochford	Cabinet approved the Full Business Case **16/02/2016**. Cabinet approved the Strategy Report on **16/05/2016** to Cabinet Member for Commissioning, Contracting and Improvement and Learning Skills and Culture jointly with the Strategic Director of Economy and delegated the award to CO. Delegated Contract Award Report signed **02/09/2016**.	Previously stated in 26/07/2016 Planned Procurement Activities awarded to the companies stated below for: Contract 1 - Specialised Intervention Worker Services for NEETs Contract 1 - Lot 1.1 Young Homeless Trident Reach the People Charity Contract 1 - Lot 1.2 Supporting Known NEETS Care Assets Children's Services Lot 1.5 - Solihull Advanced Personnel Management Group (UK) Limited **The following are subject to a re-draft of requirements and re-procurement exercise:** **Contract 1 - Specialised Intervention Worker Services for NEETs.** Lot 1.3 Risk of Offending and Lot 1.4 Mental Health. The previous 1.4 Lot will be re-procured at 1.4 Mental Health Support and 1.4b Learning Difficulties/Disabilities Support Needs **Contract 2 - Locally-Based Intervention Worker Services for NEETs.** Lot 1.1 North, Lot 1.3 East and Lot 1.4 West **Contract 3 - Business Engagement for Employment Opportunities for NEETs.** Lot 1 Sector Focussed and Lot 1 and Lot 2 SME Focussed. These will be re- procured as on lot namely Business Engagement for Employment Opportunities for NEET Young People.	Nigel Kletz / Waheed Nazir	

continued > ……..

Type of Report	Title of Procurement	Ref	Brief Description	Contract Duration	Directorate	Portfolio Value for Money and Efficiency Plus	Finance Officer	Contact Name	Comments - including any request from Cabinet Members for more details	Contractor(s) Awarded to	Chief Officer	Actual Go Live date
Delegated Contract Award	Cash Collection and Cash in Transit Services	P097	A cash collection and cash in transit service is required by the Council for the secure collection of cash, coins and cheques for delivery to either cash processing sites or the Council's nominated bank.	1 year	Corporate Resources	Deputy Leader	Tim Follis	Jane Piovesana	Presented to Cabinet for info 18/10/2016. SCN Report signed **02/11/2016**. Delegated Contract Award Report signed **02/12/2016**.	G4S Cash Solutions UK Ltd	Nigel Kletz	01/10/2016
Strategy / Award	Delivery Advisor provision of a delivery advisor for Smithfield Development Project	P0350	Provision of a delivery advisor to support the Smithfield Development Project following a competition exercise called off the Crown Commerical Services (CCS) Estates Professional Services Framework Agreement.	4 years	Economy	Deputy Leader	Nigel Greenwood	Marlene Slater / Simon Garrad / Debbie Husler	Cabinet approved the Strategy, PID and Full Business Case **18/10/2016.** Strategy / Award Report signed **22/11/2016**.	DTZ Debenham Tie Leung Ltd	Nigel Kletz / Waheed Nazir	01/12/2016
Strategy / Award	Procurement Legal Advice to Support the Development of the Future Waste Strategy and the undertaking of new waste disposal services	P0343	The Council is currently developing a new Waste Strategy for the management and disposal of waste that will take into account current and future projected technical and sustainable developments.	2 years, 4 months	Place	Clean Streets, Recycling and Environment	Sukvinder Kalsi	Mike Smith / Nicola Handley / Alan Bowley	Presented to Cabinet for info 28/06/2016. Strategy / Award Report signed **19/11/2016**.	Bevan Brittan LLP	Nigel Kletz / Jacqui Kennedy	01/12/2017
Delegated Contract Award	Childcare Voucher Salary Sacrifice Provider	P0300	Provision of a salary sacrifice childcare voucher scheme for Council employees.	4 years	Corporate Resources	Deputy Leader	Anil Nayyar	Pete Yeung / Nicola Handley	Cabinet approved the Approval to Tender Strategy **20/10/2015** and delegated the award to CO. Delegated Contract Award Report signed **22/11/2016**.	Sodexo Motivation Solutions UK Ltd t/as Sodexo Benefits and Rewards Services	Nigel Kletz / Angela Probert	01/01/2017
Strategy / Award	Pay and Display Ticket Machine Maintenance	P0347	The provision of servicing and maintenance of pay and display ticket machines throughout the city.	3 years, 6 months	Economy	Transport and Roads	Paul Quinney	Mike Evans / Richard Osborne	Presented to Cabinet for info 17/11/2015. Strategy / Award Report signed **14/11/2016.**	Cale BriParc Ltd	Nigel Kletz / Waheed Nazir	01/11/2016
Strategy / Award	Taxation and Legal Advisors for Smithfield Development Project	P0350A & P0350B)	Provision of a taxation advisor and for a Legal Advisor to support the Smithfield Development Project following a competition exercise called off the Crown Commerical Services (CCS) Consutlancy One Framework Agreement.	4 years	Economy	Deputy Leader	Nigel Greenwood	Marlene Slater / Debbie Husler	Cabinet approved the Strategy, PID and Full Business Case **18/10/2016.** Delegated Contract Award Report signed **27/11/2016**.	**Taxation Advisor** Deloitte LLP **Legal Advisor** Bevan Bittan LLP	Nigel Kletz / Waheed Nazir	Dec 2016
Delegated Extension Award	Temporary Accommodation through Private Sector Leasing	C0135	Provide details of the outcome of the procurement process undertaken for the provision of Temporary Accommodation through Private Sector Leasing (PSL).	Up to 4 months	People	Health and Social Care	Margaret Ashton Gray	Marie Hadley / Jim Crawhaw	Delegated Award Report C0135 signed **05/12/2013.** Cabinet approved the Strategy Report for the provision of Private Sector Leased Accommodation (P0328) which incorporated the extension on **20/09/2016**. Delegated Extension Report signed **16/12/2016.**	1) Apex Property Services 2) Ezzi Letting Solutions Ltd 3) Global Property Management 4) Horzions Supported Housing Ltd 5) Kwik Let Properties 6) Metropolitan Surveyors 7) Midland Livings Ltd 8) Omega Lettings Ltd 9) PDS Property Management Ltd 10) Select Care Solutions 11) Throughcare Housing 12) Weir Housing Ltd	Nigel Kletz	23/12/2016

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Type of Report	Title of Procurement	Ref	Brief Description	Contract Duration	Directorate	Portfolio Value for Money and Efficiency Plus	Finance Officer	Contact Name	Comments - including any request from Cabinet Members for more details	Contractor(s) Awarded to	Chief Officer	Actual Go Live date
Delegated Extension Award	Provision of Cleaning Services for Temporary Accommodation and communal areas of Sheltered and Low Rise Accommodation (South, East, West & Central and North Quadrants)	F0136 / F0242	Provision of Cleaning Services for Temporary Accommodation and communal areas of Sheltered and Low Rise Accommodation (South, East, West & Central and North Quadrants).	11 months	Place	Housing and Homes	Guy Olivant	Jane Piovesana	Cabinet approved the Approval To Tender Strategy **10/12/2012** and delegated the award to CO. Delegated Contract Award Report signed **19/09/2013** and further amended award report approved **11/12/2014** and **15/10/2015.** Delegated Extension Award Report signed **19/12/2016**.	**East and South Quadrants** Hi-Spec Facilities Services Plc **West and Central Quadrant** Superclean Services Wolthorpe Limited **North Quadrant** Hi-Spec Facilities Services Plc	Nigel Kletz / Jacqui Kennedy	01/01/2017 04/01/2017
Strategy / Award	Security for Events	F0240	The Council holds a number of events every year for which security and/or stewarding requirements need to be fulfilled by providers licensed in accordance with the provisions of the Security Industry Act 2001.	3 years	Place	Skills, Learning and Culture	Paul Quinney	Lisa Haycock	Presented to Cabinet for info 26/01/2016. Strategy / Award Report signed **19/12/2016.**	1) Show & Events Limited 2) Showsec International Limited 3) BBP Security Services 4) Training Limited	Nigel Kletz / Jacqui Kennedy	01/01/2017

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	**CABINET**
Report of: **Date of Decision:**	**Acting City Solicitor** **24 January 2017**
SUBJECT:	**APPOINTMENT TO OUTSIDE BODY-WITTON LODGE COMMUNITY ASSOCAITION**
Key Decision: No	**Relevant Forward Plan Ref:**
If not in the Forward Plan: **(please "X" box)**	**Chief Executive approved** ☐ **O&S Chairman approved** ☐
Relevant Cabinet Member(s):	**Cllr John Clancy**
Relevant O&S Chairman:	**Cllr Mohammed Aikhlaq, Chairman of Corporate Resources and Governance Overview and Scrutiny Committee**
Wards affected:	**City Wide**

1. Purpose of report:

The report seeks to inform Cabinet of the appointment of a representative to serve on Witton Lodge Community Association detailed in the appendix to this report.

2. Decision(s) recommended:

That Cabinet notes the appointment to Witton Lodge Community Association.

Lead Contact Officer(s):	Prakash Patel
Telephone No: **E-mail address:**	Committee Services Tel: 0121 303 2018 e-mail: prakash.patel@birmingham.gov.uk

3. Consultation

3.1 Internal

Councillor John Clancy, Leader of the Council & Political Group Secretaries.

3.2 External

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

The appointment is consistent with the legal and constitutional requirements of the City Council.

4.2 Financial Implications
(Will decisions be carried out within existing finances and Resources?)

There are no additional resource implications.

4.3 Legal Implications

See 4.1 and in relation to the constitution- volume B6/point 2 under 'District Committee & Ward Forum functions'/page 61 of 118).

4.4 Public Sector Equality Duty

The main risk of not making the appointment might lead to the City Council not being represented at meetings of the body concerned. It is always important in making appointments to have regard to the City Council's equal opportunities policies.

5. Relevant background/chronology of key events:

At the Annual General Meeting on 22 May, 2012, the City Council approved changes to the Constitution and Article 11 sets out those appointments that are reserved to the full City Council to determine. All other appointments of Members and officers to outside bodies shall be within the remit of Cabinet to determine and the proportionality rules will not automatically apply.

6. Evaluation of alternative option(s):

Not applicable, as these appointments are a matter for the Cabinet to determine.

7. Reasons for Decision(s):

To note the appointment of representative to serve on Witton Lodge Community Association.

Signatures		**Date**
Cabinet Member	.....	
Acting City Solicitor	.....	

List of Background Documents used to compile this Report:

1. Report of the Council Business Management Committee to City Council on 24 May 2005 "Annual Review of the City Council's Constitution"; along with relevant e-mails/ file(s)/correspondence on such appointments.

List of Appendices accompanying this Report (if any):

1. Appendix to Report to Cabinet 24 January 2017 – Appointments to Outside Bodies

APPENDIX 1

APPENDIX TO REPORT TO CABINET 24 JANUARY 2017
APPOINTMENTS TO OUTSIDE BODIES

1. Summary of Decisions

With reference to those bodies included in this report where the terms of office of City Council representatives expire, the Cabinet is asked to note that, where appropriate, the representatives have been contacted and in accordance with the practice agreed by Resolution No. 2769, of the former General Purposes Committee unless indicated, are not willing to be re-appointed. Accordingly, unless indicated in this report, such representatives are not willing to be re-appointed.

2. Witton Lodge Community Association

1 Trustee/Director appointment on an annual basis.

Therefore, it is

RECOMMENDED:

That following the nomination by Kingstanding Ward of Councillor Ron Storer (Con) as Trustee/Director to the Witton Lodge Community Association, Cabinet agrees to the appointment for the period from 1st February 2017 to 31st January 2018.